

## BOD Independence and Diversity Guidelines

SK Square's Board of Directors operate independently from the management and controlling shareholders. In order to maintain substantial independence and to supervise and check the management decision-making process, the ratio of independent directors determined by law is maintained at 50% or higher. In addition, the chairman of the board was appointed as an independent director. In order to enhance the management decision-making/supervisory function of the independent director, we hold and operate a pre-reporting session for independent directors of the board to attend to hear detailed explanations about agenda proposals from the employee in charge and discuss them.

- We ensure compliance with the domestic 「Commercial Act」 and 「Monopoly Regulation and Fair Trade Act」 to maintain the independence of our directors. The board shall determine the independence of a candidate of and an incumbent director based on these requirements, and the main issues are as follows. In addition, their relationship with the company is comprehensively reviewed.
  - Directors, executive officers and employees working for the company, or directors, auditors, executive officers and employees who have worked for the company within the last 2 years
  - The largest shareholder him/herself, or his/her spouse and direct ancestor or descendant
  - In case the largest shareholder is a corporate body, its directors, auditors, executive officers, and employees
  - Spouse, direct ancestor or descendant of a directors, auditors, and executive directors
  - Directors, auditors, executive officers and employees of the parent company or subsidiaries of the company
  - Directors, auditors, executive officers and employees of a corporation with important interests, such as the business relation like a significant customer or a supplier of the company
  - Directors, auditors, executive officers and employees of other companies in which the directors, executive officers and employees of the company are directors or executive officers

SK Square's board is composed of directors with expertise in various fields, not biased toward a specific field to make informed rational decision based on the interests of stakeholders including shareholders and customers.

- In particular, independent directors are selected by considering their nationality, gender, age and experience to ensure diversity to keep a broad perspective.
  - Gender: Candidates of different genders to reflect the principle of gender equality and take broad perspectives without being biased toward a certain gender
  - Age: Candidates of various ages to ensure flexibility in dealing with changing business environment and increase the effectiveness of the board
  - Others: No discrimination based on nationality, race, religion, ethnicity, cultural background, etc.