

# Regulations of the Board of Directors (BOD)

Enactment: 11.25.2021

## **Article 1 (Purpose)**

The purpose of these regulations is to stipulate necessary matters regarding the composition and operation of the BOD of SK Square Co., Ltd. (hereinafter referred to as the “Company”).

## **Article 2 (Scope of Application)**

The operation of the BOD shall be governed by the provisions of these regulations, except where otherwise provided by the relevant laws or the articles of incorporation.

## **Article 3 (Functions)**

The BOD shall deliberate and decide upon matters stipulated by the relevant laws and regulations and the articles of incorporation and other important policies related to corporate management.

## **Article 4 (Implementation of Management Philosophy)**

- ① The BOD shall create and continuously develop specific methods to realize the Company’s management philosophy (hereinafter the "Company Management Philosophy") as reflected in the preamble to the Company's articles of incorporation.

- ② The BOD shall make efforts to maintain and develop the corporate culture of 'SK' by taking the Company Management Philosophy as the basis of its business activities and practicing it accordingly.
- ③ The BOD shall strive to enhance the brand value in the use of the SK Brand.
- ④ The BOD shall establish and implement plans for mutual cooperation with other companies that use the SK Brand and share SK's corporate culture with them whenever required to maintain and develop the value of the SK Brand and SK's corporate culture.

#### **Article 5 (Composition)**

- ① The BOD shall be composed of directors.
- ② The chairperson of the BOD shall be appointed by a resolution of the BOD from among the directors; and, in the absence of the chairperson of the BOD, a director appointed by the chairperson of the BOD shall act on his/her behalf.
- ③ The BOD shall appoint one (1) secretary to handle all affairs of the BOD, and the secretary shall be the head of the department in charge of the affairs of the BOD.

#### **Article 6 (Types of BOD Meetings)**

- ① The BOD meetings shall be divided into ordinary meetings and extraordinary meetings.
- ② In principle, ordinary BOD meetings shall be held once per month, and

extraordinary BOD meetings may be held as often as necessary.

#### **Article 7 (Convocation)**

- ① The BOD shall be convened by the CEO or the chairperson when the CEO or the chairperson deems it necessary or when there is a request for such from three or more directors.
- ② Other directors who are not designated as members of the convening authority may request the convocation of the BOD to the convening director. If a director who has the right to convene the BOD refuses to convene it without justifiable reason, another director may call a BOD meeting.
- ③ When a BOD meeting is to be convened, each director shall be notified of the date, time, place, and agenda of the meeting two days prior to the meeting.
- ④ With the prior consent of all directors, a BOD meeting may be held without following the procedure stipulated in the foregoing paragraphs.

#### **Article 8 (Agenda)**

- ① The BOD shall deliberate and decide upon the following matters:
  1. Convocation of the general meeting of shareholders and the agenda to be submitted
  2. Prior approval of financial statements
  3. Decisions on issuance of new shares
  4. Plans for long-term borrowing and bond issuance and repayment
  5. Capitalization of reserves
  6. Appointments and dismissals of the representative director and co-representative directors

7. Establishment, relocation, and abolition of branches
  8. Enactment, amendment and repeal of the Corporate Governance Charter, the Regulations of the Board of Directors, and committee regulations
  9. Investment and joint venture worth 1.5% or more of the equity capital (meaning the total equity on the current non-consolidated balance sheet as of the end of the immediately preceding fiscal year. Hereinafter the same in this Article and Article 9) per case
  10. Acquisition of assets worth 1.5% or more of equity capital per case (facility investment)
  11. Guarantee worth 1.5% or more of equity capital per case
  12. Funds/securities/assets transactions, guarantees, and investment made with or for a related person under the Monopoly Regulation and Fair Trade Act (hereinafter “related person”) at an amount worth 5/100 or more of the larger of the total equity and capital or worth KRW 5 billion or more
  13. Changes in material contents under the Monopoly Regulation and Fair Trade Act, among the matters already resolved and disclosed in relation to Subparagraph 12
  14. Development, establishment and revision of implementation methods for specific realization of the Company Management Philosophy
  15. Donations of KRW 1 billion or more. However, emergency relief due to natural disasters such as typhoons, floods, fires, or earthquakes and donations according to the ‘Community Chest of Korea Act’ can be reported after pre-execution.
  16. Remuneration for each of the representative director and executive directors
  17. Other matters deemed particularly necessary by the Board and matters requiring resolution of the Board under relevant laws
- ② Decisions and execution on matters other than those under each subparagraph

of Paragraph 1 shall be delegated to the representative director.

### **Article 9 (Performance Report)**

The CEO shall report the following to the first BOD meeting held in the next quarter:

1. Settlement of accounts for the first half
2. Investment and joint ventures worth less than 1.5% of equity capital per case
3. Acquisition of assets worth KRW 5 billion or more and less than 1.5% of equity capital (facility investment) per case
4. Guarantee-related items worth less than 1.5% of equity capital per case
5. Disposition of fixed assets worth 1.5% or more of equity capital per case
6. Acquisition of non-operating fixed assets
7. Internal transactions other than those subject to the prior approval by the Board
8. Company-wide key performance indicators (KPIs) and KPI performance evaluation
9. Director's requests among the matters delegated to the representative director

### **Article 10 (Resolution)**

- ① Resolutions of the BOD shall be made with the attendance of a majority of directors and a majority of the directors present.
- ② The chairperson may require executives and employees to explain agenda items or answer questions at a BOD meeting or submit data necessary for the deliberation of agenda items there.
- ③ Directors who have an interest in a given item of agenda shall forego their voting rights; provided, however, that they may state their opinions there.

- ④ The BOD may allow all or some of the directors to participate in a resolution without attending a meeting in person, by using a means of communication that transmits and receives voices at the same time, wherein the director shall be deemed to have attended the meeting in person.

#### **Article 11 (Right to Receive External Expert Assistance)**

The BOD may seek advice from external experts, etc., if necessary, at the Company's expense.

#### **Article 12 (Vacancy or absence of the representative director)**

- ① In a vacancy or absence of the representative director who is chairperson of the general meeting of shareholders, the oldest of the executive directors shall become the acting chairperson of the general meeting of shareholders.
- ② According to Article 40, Paragraph 2 of the Articles of Incorporation, the person who acts on behalf of the representative director in the vacancy or absence of the representative director shall be an executive director determined in advance by the representative director, but if not thus determined, it shall be the oldest of the executive directors.

#### **Article 13 (Minutes)**

The BOD shall prepare meeting minutes that include the agenda, proceedings, results, opposing parties and reasons for their objection. All directors who are present shall put their names to the minutes and sign and/or seal them.

#### **Article 14 (Committees)**

- ① The Company shall establish the following committees within the BOD.

1. Audit Committee
2. Independent Director Recommendation Committee
3. Compensation Committee
4. Governance Committee
5. ESG Committee

② Matters concerning the committees' composition and operation under the foregoing Paragraph 1 shall be separately determined.

**Article 15 (Payment of Actual Expenses)**

Actual expenses related to the performance of duties may be paid to directors who are not engaged in daily operations, with the amount and method of payment to be determined by the CEO.

Addenda (11.25.2021)

This regulation shall come into effect from the date of enactment.