

Articles of Association

HANKOOK & COMPANY CO., LTD.

Articles of Association

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Revised on Jul. 3, 1969 Articles of Association No. 2
Revised on May 15, 1970 Articles of Association No. 3
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Chapter 1 General Rules

Article 1 (Corporate Name)

The Company shall be referred to as "Hankook & Company Jusik Hoesa," which shall be written in English as "HANKOOK & COMPANY CO., LTD." (Articles of Association NO.47)

Article 2 (Purpose)

The Company engages in the following businesses.

1. Holding company business to govern, guide management, arrange, and foster the overall business contents of the subsidiary companies by obtaining and owning the stock or share of the subsidiary companies (Articles of Association NO. 41)
2. Domestic and overseas advertisement agency business and the production and sales of advertisement material (Articles of Association NO. 41)
3. Trade of various goods (Articles of Association NO. 41)
4. Entrusted and consigned trade of various goods (Articles of Association NO. 41)
5. New technology development and technical service business (Articles of Association NO. 41)
6. Technical service business for the manufacturing of various tires and other rubber products (Articles of Association NO. 41)
7. Domestic and overseas trade and accompanied service business (Articles of Association NO. 41)
8. Entrusted mail order business and door-to-door sales business (Articles of Association NO. 41)
9. Goods and products trade through e-commerce such as internet and related subsidiary businesses (Articles of Association NO. 41)
10. Market survey, management advisory and consulting business (Articles of Association NO. 41)
11. Technology research and consigned service business (Articles of Association NO. 41)
12. Factoring business (Articles of Association NO. 41)
13. Management, licensing, and sales of the intangible assets and IPR including brand, trade mark, knowledge, information, and technology possessed by the Company and related service business (Articles of Association NO. 41)
14. Production, processing, accumulation, distribution, and supply of the information using information processing or IT technology, and supply of the material and equipment/facility required for it (Articles of Association NO. 41)
15. Various distribution business including wholesale, retail, and mail order business, and the related financial businesses such as credit card business, e-payment tool issuing, deposit, and sales (Articles of Association NO. 41)
16. Business support service including the procurement of the goods and services and facility management (Articles of Association NO. 41)
17. Advertisement and PR management related businesses (Articles of Association NO. 41)
18. Investment, financing, management, and operation related to new technology related business such as venture capital business (Articles of Association NO. 41)
19. Automobile related businesses such as trade, rental, management, and registration service of automobiles (Articles of Association NO. 41)

20. Mail order business (Articles of Association NO. 41)
21. Distribution related businesses providing transportation, storage, and unloading of goods and providing related information and service (Articles of Association NO. 41)
22. Establishment support business such as providing investment, information, and service related to the foundation of companies, and agency and fostering center (Articles of Association NO. 41)
23. Test analysis and service related business (Articles of Association NO. 41)
24. Development, manufacturing, and sales of information and communication devices such as video display device and battery and related material and related added value business (Articles of Association NO. 41)
25. Franchise related businesses including the participation, subscription, attracting, management, and operation of the franchise business (Articles of Association NO. 41)
26. Storage battery manufacturing and sales business (Articles of Association NO. 27)
27. Automobile parts manufacturing and sales business
28. Automobile maintenance, checking, and repair business
29. Machine, industrial facilities, and other parts manufacturing, assembly, equipment rental and sales business
30. Housing business, residential building sales, supply, and rental business (Articles of Association NO. 29)
31. Real asset development, trade, and rental business
32. Transportation, transportation related service and storage, warehouse business
33. Export, import, wholesale, and retail business
34. New material and non metal product manufacturing and sales business
35. Transportation equipment and other parts manufacturing, assembly, and sales business
36. Waste collection and processing business
37. Gas station business (Articles of Association NO. 27)
38. Various education service businesses including textbook publishing and distribution and education center operation, etc. (Articles of Association NO. 41)
39. Internet and information and communication business (Articles of Association NO. 30)
40. Sports facility business, golf course business, and comprehensive leisure business (Articles of Association NO. 33)
41. Fuel cell separation plate and parts development, manufacturing, sales, and research service business (Articles of Association NO. 40)
42. Joint development and sales of the goods and services with the subsidiary companies, etc., and business support service for joint utilization of the computer system (Articles of Association NO. 41)
43. System integration and establishment service sales business (Articles of Association NO. 41)
44. System management service sales business (Articles of Association NO. 41)
45. Electric communication business (Articles of Association NO. 41)
46. Information processing using computer and communication devices, other computer operation, communication, and related businesses (Articles of Association NO. 41)
47. Software consulting, development, supply, and maintenance business (Articles of Association NO. 41)
48. Software, contents, and other IPR products development, sales, and rental business (Articles of Association NO. 41)
49. Computer and related devices manufacturing, sales, rental, repair, and other service businesses (Articles of Association NO. 41)

- 50. Special category telecommunications business and other electric communication business (Articles of Association NO. 41)
- 51. Management, IT, and solution consulting service business (Articles of Association NO. 41)
- 52. Business support service for the sister companies and financing business for the sister companies (Articles of Association NO. 42)
- 53. Manufacturing and sales of storage batteries, batteries, and other cells (Articles of Association NO. 48)
- 54. Import and sales of storage batteries and batteries (Articles of Association NO. 48)
- 55. Technical service related to manufacturing of storage batteries (Articles of Association NO. 48)
- 56. Sales of manufacturing equipment for storage batteries (Articles of Association NO. 48)
- 57. Manufacturing and sales of new materials and nonferrous metal products (Articles of Association NO. 48)
- 58. New renewable energy business (Articles of Association NO. 48)
- 59. All subsidiary businesses related to each of the above items (Articles of Association NO. 42)

Article 3 (Location of Head Office and Establishment of Branches, etc.)

- ① The Company shall have its head office in Seongnam-si, Gyeonggi-do. Provided, however, that this location change takes effect from April 20, 2020. (Articles of Association NO. 46)
- ② When deemed necessary at its reasonable discretion, the Company may establish branches, sub-branches, offices, subsidiaries, workshops, and/or factories inside or outside the Republic of Korea by a resolution of the Board of Directors or such committee as authorized by the Board of Directors. (Articles of Association NO. 37)

Article 4 (Method of Public Notice)

The Company shall post public notices on its website at <http://www.hankookandcompany.com>. (Articles of Association NO.47) If the website is unavailable due to an IT system failure or other unavoidable circumstances, public notices shall be posted in the Seoul Economic Daily, a daily newspaper published in Seoul. (Articles of Association NO. 41)

Chapter 2 Shares

Article 5 (Total number of shares to be issued)

The total number of shares to be issued by the Company is 250,000,000 (two hundred fifty million) shares. (Articles of Association NO. 28)

Article 6 (Par value per share)

The par value of shares by the Company is five hundred won (KRW 500) per share. (Articles of Association NO. 28)

Article 7 (Types of shares)

- ① Shares to be issued by the Company shall be common shares and class shares, both of which are to be in registered form. (Articles of Association NO. 41)
- ② Class shares to be issued by the Company are preferred shares concerning dividends, shares with no or restricted voting rights, redeemable shares, convertible shares, and shares combining all or in part. (Articles of Association NO. 41)

Article 8 (Dividend-Preference Shares: Class I Shares)

- ① The Company may issue non-voting preferred shares ("Class I Shares") to the extent permitted by applicable laws, not exceeding half of the total number of issued and outstanding shares. (Articles of Association NO. 44)
- ② The Class I Shares shall have no voting rights for any matter to be resolved by the general meeting of shareholders. (Articles of Association NO. 44)
- ③ For the Class I Shares, the amount equivalent to the preferred ratio determined by the Board of Directors at the time of issuance at least 5% per annum of the par value shall be paid preferentially in cash. (Articles of Association NO. 44)
- ④ If the dividend ratio of the common shares exceeds that of the Class I Shares, the additional dividend on the class shares shall be distributed by requiring participation in distribution of dividends with respect to such excess at the same ratio as dividends for common shares. (Articles of Association NO. 44)
- ⑤ Where it is resolved not to distribute dividends on the Class I Shares, relevant voting rights shall be deemed to exist from the general meeting in which such resolution is made, until the termination of the general meeting in which such preferred dividend is resolved. (Articles of Association NO. 44)

⑥ In the case of the Company's capital increase for paid-in or for free, the new shares allocated to the Class I Shares may be, as resolved by the Board of Directors, either common shares, or Class I Shares or other class shares determined by the Articles of Association. (Articles of Association NO. 44)

Article 8-2 (Dividend-Preference Convertible Shares: Class II Shares)

① The Company may issue non-voting dividend-preference convertible shares ("Class II Shares") to the extent permitted by applicable laws, not exceeding half of the total number of issued and outstanding shares. (Articles of Association NO. 44)

② Class II Shares may be converted to common shares or other class shares, upon the Company's option or upon request by shareholders: (Articles of Association NO. 44)

1. The number of shares to be issued upon conversion shall be the same as the number of shares prior to conversion;
2. The period of conversion or request for conversion shall be determined by a resolution of the Board of Directors at the time of issuance, to the extent of at least one month but not exceeding 10 years from the date of issuance.

③ Articles 8 ② through ⑥ shall apply *mutatis mutandis* to the Class I Shares. (Articles of Association NO. 44)

Article 8-3 (Dividend-Preference Redeemable Shares: Class III Shares)

① The Company may issue non-voting dividend-preference redeemable shares ("Class III Shares") to the extent permitted by applicable laws, not exceeding half of the total number of issued and outstanding shares. (Articles of Association NO. 44)

② Articles 8 ② through ⑥ shall apply *mutatis mutandis* to the Class III Shares. (Articles of Association NO. 44)

③ The Class III Shares may be redeemed upon the Company's option as follows: (Articles of Association NO. 44)

1. The redemption value shall be the "sum of the issue price and additional amount determined within the scope not exceeding 10% per annum of the issue price; and the Board of Directors shall, at the time of issuance, determine such additional amount in consideration of the dividend ratio, market conditions, and other circumstances regarding the issuance of class shares. In case the redemption value is to be adjusted, the Board of Directors shall determine whether to adjust the redemption value, the events causing such adjustment, and the record date and method of such adjustment;

2. The redemption period shall be determined by the Board of Directors, which shall be within one month from the last day of the general meeting of shareholders for the fiscal year to which the date between the first and tenth anniversary of the issuance date belongs. Notwithstanding the expiry of the redemption period, if any of the following events arises, the redemption period shall be extended until such event is resolved:

- A. If redemption is not made within the redemption period;
- B. If the preferential dividend payable to this class shares is not completed;

3. The Company may redeem Class III Shares in a lump sum or in installments. For redemption in installments, the Company may determine applicable Class III Shares by means of draw or proportional distribution, and any fractional shares that occur in case of proportional distribution shall not be redeemed;

4. The Company shall give notice or public notice thereof to the shareholders of the shares subject to redemption and the persons entitled to such redemption, who are listed on the Shareholder's registry, at least two weeks prior to such acquisition.

Article 9 (Electronic Registration of the Rights to be Indicated in Shares and Certificates of Preemptive Right to New Shares)

Instead of issuing stock certificates and certificates of preemptive right to new shares, the Company shall electronically register the rights to be indicated in shares and certificates of preemptive right to new shares with the electronic registration account book of an electronic registration institution. (Articles of Association No.45)

Article 10 (Preemptive Rights)

① If the Company issues new shares through a resolution of the Board of Directors, the following methods shall apply: (Articles of Association NO. 44)

1. Granting shareholders an opportunity to subscribe for new shares to allocate new shares to shareholders based on the number of their shares;
2. Granting shareholders an opportunity to subscribe for new shares to allocate new shares to person(s) (including the shareholders of the Company) specified by a means other than the means under Subparagraph 1 to the extent not exceeding 50% of the total number of issued and outstanding shares, if necessary to attain the Company's management purpose such as introduction of new technologies or improvement in the financial structure;
3. Granting many and unspecified persons (including the shareholders of the Company) an opportunity to subscribe for new shares by a means other than the means under Subparagraph 1, to the extent not exceeding 50% of the total number of issued and outstanding shares, and then allocating new shares to subscribers;
4. Issuing new shares upon issuance of depository receipts pursuant to the Financial Investment Services and Capital Markets Act or other applicable laws.

② Allocation of new shares by the means under Paragraph ① 3 shall be in accordance with any of the following, upon resolution of the Board of Directors: (Articles of Association NO. 44)

1. Allocating new shares to many and unspecified subscribers without classifying the types of those to be granted an opportunity to subscribe for new shares;
2. Allocating new shares to the members of the Employee Stock Ownership Association in accordance with applicable laws, and then granting many and unspecified persons an opportunity to subscribe for new shares including the shares unsubscribed;
3. Granting shareholders a preferential opportunity to subscribe for new shares and, if there are unsubscribed shares, granting many and unspecified persons an opportunity to be allocated new shares;
4. Granting person(s) of a specific type an opportunity to subscribe for new shares, based on reasonable criteria determined by applicable laws, such as demand forecast prepared by an investment trading business operator or investment brokerage business operator as subscriber or broker.

③ Notwithstanding the provisions of the paragraph ① and ②, if the Company receives the stock of the Company as the investment in kind to obtain additional stock of the subsidiary companies according to the Monopoly Regulation and Fair Trade Act, or to make a company a subsidiary company according to the Monopoly Regulation and Fair Trade Act, the new stocks may be assigned to the person owning the corresponding stock with the resolution of the board of directors. (Articles of Association NO. 41)

④ Where the Company allocates new shares to person(s) other than shareholders pursuant to Paragraph ① 2 or 3, the Company shall give notice or public notice of the matters prescribed in Subparagraphs 1, 2, 2-2, 3, and 4 of Article 416 of the Commercial Act to shareholders, at least two weeks prior to the payment deadline. However, such notice or public notice may be replaced by disclosure of reports on major matters to the Financial Services Commission and to Korea Exchange, pursuant to Article 165-9 of the Financial Investment Services and Capital Markets Act. (Articles of Association NO. 44)

⑤ Where the Company issues new shares by any means under Paragraph ①, the class, the number and price of the shares to be issued shall be determined by a resolution of the Board of Directors. (Articles of Association NO. 44)

⑥ If the Company allocates new shares, and if subscription for new shares is not made by the relevant deadline or the value not paid, disposal of such shares shall be determined through a resolution of the Board of Directors, as prescribed by applicable laws. (Articles of Association NO. 44)

⑦ Disposal of fractional shares that occur at the time the Company allocates new shares shall be determined by a resolution of the Board of Directors. (Articles of Association NO. 44)

⑧ If the Company allocates new shares pursuant to Paragraph ① 1, the Company shall issue a certificate of preemptive rights to shareholders. (Articles of Association NO. 44)

Article 11 (Stock Options)

① The Company may grant stock options as provided in Articles 340-2 and 542-3 of the Commercial Act to its officers and employees by a special resolution in a general meeting of shareholders, to the extent not exceeding ten-hundredths (10/100) of the total issued and outstanding shares; provided that if stock options are not more than one-hundredth (1/100) of the total issued and outstanding shares, the Company may grant such stock options by a resolution of the Board of Directors. In such case, stock options granted by a resolution in a general meeting of shareholders or by a resolution of the Board of Directors may be contingent upon the Company's performance including achievement of its business objectives or stock market index, etc. (Articles of Association NO. 33)

② Persons to whom stock options may be granted shall be the officers and employees of the Company who have contributed or have the capacity to contribute to the establishment, management, overseas business, technical innovation, etc. of the Company as well as the officers and employees of its affiliates as provided in Article 9(1) of the Enforcement Decree of the Commercial Act; provided that any of the following persons shall be excluded: (Articles of Association NO. 33)

1. The largest shareholder (Refers to the largest shareholder in Civil Code Article 542-8 paragraph 2 item 5, the same hereinafter) and the affiliate person (Refers to the affiliate person in Civil Code Article 542-8 paragraph 2 item 5, the same hereinafter). But, the person who became an affiliate person by becoming the executive of this corporation (including the executives of the related company set in Civil Code Enforcement Ordinance Article 9 paragraph 1) is excluded (including the part time executives of the sister company).

2. Major shareholder (Refers to the major shareholder in Civil Code Article 542-8 paragraph 2 item 6, the same hereinafter) and the affiliated person. But, the person who became an affiliate person by becoming the executive of this corporation (including the executives of the related company set in Civil Code Enforcement Ordinance Article 9 paragraph 1) is excluded.

3. Person who becomes the major shareholder by exercising the stock option

③ Shares to be issued as a result of exercise of stock options (in case the Company pays, either in cash or with treasury shares, the difference between the exercise price of stock options and the market price, they refer to the shares which serve as the basis for calculation of such difference) shall be common or class shares in registered form. (Articles of Association NO. 41)

④ The number of officers and employees entitled to the grant of stock options shall not exceed fifty-hundredths (50/100) of all existing officers and employees. Stock options granted to an individual officer or employee shall not exceed ten-hundredths (10/100) of the total issued and outstanding shares.

⑤ The exercise price of each share regarding which a stock option is to be exercised shall be no less than any of the following in value. The same shall apply to those cases where the exercise price is adjusted after stock options are granted:

1. When new stocks are issued, the highest price among the following

- A. Based on the date of assigning the stock option, the market price of the corresponding stock by applying the provision of Law on Capital Market and Financial Investment Business Enforcement Ordinance Article 176-7 paragraph 2 item 1

B. Face price of the corresponding stock

2. In cases of other than item 1, the market price of the corresponding stock assessed by the provision of item 1 number A

⑥ Stock options may be exercised within seven (7) years after the lapse of three (3) years from the date of such resolution as provided in the foregoing Paragraph ①.

⑦ A person to whom a stock option has been granted shall serve the Company for at least two (2) years from the date of such resolution as provided in the foregoing Paragraph ① in order to exercise such stock option; provided that if a person to whom a stock option has been granted dies, retires, or resigns at a mandatory retirement age, or retires or resigns for a reason not attributable thereto within two (2) years from the date of such resolution as provided in the foregoing Paragraph ①, the stock options may be exercised during the exercise period thereof.

⑧ The Company may cancel the grant of stock options by a resolution of the Board of Directors in any of the following cases:

1. If the executive or employee given the stock option retires or leaves the Company by one's own will
2. If the executive or employee given the stock option causes a critical damage to the Company intentionally or by mistake
3. If the Company cannot respond to the exercise of the stock option due to the Company's bankruptcy or dissolution, etc.
4. If other cancellation cause set in the stock option contract occurs

Article 12 (Equal Distribution)

The Company shall distribute profits by treating all the same class shares issued (including those converted) as of a dividend record date equally regardless of their issue date. (Articles of Association NO. 48)

Article 13 (Transfer Agent)

① The Company shall have a transfer agent by a resolution of the Board of Directors. (Articles of Association NO. 9)

② The Company shall keep available the register of shareholders or the copy thereof at the office of the transfer agent and cause the transfer agent to take charge of the electronic registration of shares, the management of register of shareholders, and other business related to shares. (Articles of Association NO. 45)

③ The procedures to handle such affairs as provided in the foregoing Paragraph ② shall be subject to the relevant business regulations determined by the transfer agent. (Articles of Association NO. 48)

Article 14 <Omitted> (Articles of Association No. 45)

Article 15 (Closing of Register of Shareholders and Record Date)

① The Company shall permit the shareholders who remain entered on the final register of shareholders as of December 31 each year to exercise their rights at the ordinary general meeting of shareholders concerning the closing period thereof. (Articles of Association NO. 29)

② If the Company convenes an extraordinary general meeting of shareholders or if deemed otherwise necessary the Company may permit the shareholders who remain on the register of shareholders on a date determined by a resolution of the Board of Directors to exercise their rights, and shall give a public notice at least two (2) weeks before the date determined by the Board of Directors. (Articles of Association NO. 48)

Chapter 3 Bonds

Article 16 (Issuance of Bonds)

- ① The Company may issue bonds by a resolution of the Board of Directors. (Articles of Association NO. 40)
- ② The Board of Directors may authorize the representative director to issue bonds within a period not exceeding one (1) year. The price and type of such bonds shall be decided by the Board of Directors. (Articles of Association NO. 40)

Article 16-2 (Provisions Applicable *Mutatis Mutandis* for Bond Issuance)

The provisions of Article 13 shall apply *mutatis mutandis* to bond issuance. (Articles of Association NO. 45)

Article 17 (Issuance of Convertible Bonds)

- ① In any of the following cases, the Company may issue convertible bonds to persons other than existing shareholders in the Company by a resolution of the Board of Directors to the extent that the total face value thereof shall not exceed eight hundred billion won (KRW 800,000,000,000): (Articles of Association NO. 44)
 1. Where the Company issues convertible bonds by way of granting an opportunity to subscribe for bonds to allocate bonds to specific person(s) by a means other than the means under Article 10 ① 1, if necessary to attain the Company's management purpose as introduction of new technologies or improvement in the financial structure;
 2. Where the Company issues convertible bonds by way of granting many and unspecified persons an opportunity to subscribe for bonds by a means other than the means under Article 10 ① 1 and then allocating bonds to the subscribers.
- ② Allocation of bonds by a means under Paragraph ① 2 shall be performed by any of the following methods, upon a resolution of the Board of Directors: (Articles of Association NO. 44)
 1. Allocating bonds to many and unspecified subscribers without classifying the types of those to be granted an opportunity to subscribe for bonds;
 2. Granting shareholders a preferential opportunity to subscribe for bonds and, if there are unsubscribed bonds, granting many and unspecified persons an opportunity to be allocated bonds;
 3. Granting person(s) of a specific type an opportunity to subscribe for bonds, based on reasonable criteria determined by applicable laws, such as demand forecast prepared by an investment trading business operator or investment brokerage business operator as subscriber or broker.

- ③ The Board of Directors may determine that convertible bonds provided in the foregoing Paragraph ① shall be issued on the condition that conversion rights be granted to only a part thereof. (Articles of Association NO. 44)
- ④ The shares to be issued upon conversion shall be common shares or the Class I Shares, and the conversion price shall be equal to or greater than the par value of the shares as determined by the Board of Directors at the time of issuance of the bonds. (Articles of Association NO. 44)
- ⑤ The period during which conversion rights may be exercised shall commence on the date immediately following the issuance date of the corresponding convertible bonds and end on the date immediately preceding the redemption date thereof; provided that the Board of Directors may adjust the conversion period by its resolution within the scope of said period. (Articles of Association NO. 44)
- ⑥ If convertible bonds are converted into shares, the Company shall only pay the interest due and payable before the conversion. (Articles of Association NO. 48)

Article 18 (Issuance of Bonds with Warrants)

① In any of the following cases, the Company may issue bonds with warrants to persons other than its existing shareholders by a resolution of the Board of Directors to the extent that the total face value of such bonds with warrants does not exceed eight hundred billion won (KRW 800,000,000,000): (Articles of Association NO. 44)

1. Where the Company issues bonds with warrants by way of granting an opportunity to subscribe for bonds to allocate bonds to specific person(s) by a means other than the means under Article 10 ① 1, if necessary to attain the Company's such management purpose as introduction of new technologies or improvement in the financial structure;

2. Where the Company issues bonds with warrants by way of granting many and unspecified persons an opportunity to subscribe for bonds by a means other than the means under Article 10 ① 1 and then allocating bonds to the subscribers.

② Allocation of bonds by a means under Paragraph ① 2 shall be performed by any of the following methods, upon a resolution of the Board of Directors: (Articles of Association NO. 44)

1. Allocating bonds to many and unspecified subscribers without classifying the types of those to be granted an opportunity to subscribe for bonds;

2. Granting shareholders a preferential opportunity to subscribe for bonds and, if there are unsubscribed bonds, granting many and unspecified persons an opportunity to be allocated bonds;

3. Granting person(s) of a specific type an opportunity to subscribe for bonds, based on reasonable criteria determined by applicable laws, such as demand forecast prepared by an investment trading business operator or investment brokerage business operator as a subscriber or broker.

- ③ The amount of new shares which can be subscribed for by the holders of bonds with warrants shall be determined by the Board of Directors to the extent not exceeding the aggregate face value of the bonds. (Articles of Association NO. 44)
- ④ The shares to be issued upon exercise of warrants shall be common shares or Class I Shares, and the issue price shall be equal to or greater than the par value of the shares as determined by the Board of Directors at the time of issuance of the bonds. (Articles of Association NO. 44)
- ⑤ The period during which preemptive rights may be exercised shall commence on the date immediately following the issuance date of the corresponding bonds and end on the date immediately preceding the redemption date thereof; provided that the Board of Directors may adjust the exercise period of preemptive rights by its resolution within the scope of said period. (Articles of Association NO. 44)

Article 18-2 (Electronic Registration of the Rights to be Indicated in Bonds and Warrants)

Instead of issuing bonds and warrants, the Company shall electronically register the rights to be indicated in bonds and warrants with the electronic registration account book of an electronic registration institution. (Articles of Association NO. 45)

Provided that in the case of bonds, such an electronic registration may not be made except for listed bonds for which electronic registration is required by applicable laws. (Articles of Association NO. 48)

Chapter 4 General Meeting of Shareholders

Article 19 (Time to Convene)

- ① General meetings of shareholders of the Company shall comprise ordinary and extraordinary general meetings of shareholders.
- ② Ordinary general meetings of shareholders shall be convened within three (3) months from the close of each fiscal year, and extraordinary general meetings of shareholders shall be summoned when necessary. (Articles of Association NO. 33)

Article 20 (Authority to Convene)

- ① Unless otherwise provided in applicable laws, general meetings of shareholders shall be convened by the representative director of the Company in accordance with a resolution of the Board of Directors.
- ② In the event the representative director is incapable of performing his or her duties, Article 23 hereof shall apply *mutatis mutandis*. (Articles of Association NO. 33)

Article 21 (Notice and Public Announcement of Meeting)

- ① In convening a general meeting of shareholders, a written or electronic notice thereof specifying the time, place, and agenda thereof shall be sent to the shareholders at least two (2) weeks prior to the date thereof. (Articles of Association NO. 33)
- ② With regard to shareholders holding no more than one-hundredth (1/100) of the total issued and outstanding voting shares, a written notice of a general meeting of shareholders as provided in the foregoing Paragraph ① may be replaced by making a public announcement of the convening and agenda of the general meeting of shareholders in the “Korea Economic Daily” and “Seoul Economic Daily”, which are published in Seoul, twice or more or by posting a public notice in the electronic disclosure systems operated by the Financial Supervisory Service or the Korea Exchange at least two (2) weeks prior to the date of such meeting. (Articles of Association NO. 37)

Article 22 (Place of Meeting)

A general meeting of shareholders shall be held at a place where the head office or factory of the Company is located or at any other place adjacent thereto as required. (Articles of Association NO. 36)

Article 23 (Chairperson)

- ① The representative director shall serve as chairperson of a general meeting of shareholders.
- ② In the event the representative director is incapable of performing his or her duties, an officer of the Company shall vicariously perform his or her duties as determined by the Board of Directors. (Articles of Association NO. 38)

Article 24 (Chairperson's Authority to Maintain Order)

- ① The chairperson of a general meeting of shareholders may order a person who intentionally speaks or behaves obstructively or who disturbs the proceedings of the meeting to stop or cancel a speech or leave the place of the meeting. Such person shall comply with such order. (Articles of Association NO. 25)
- ② The chairperson of a general meeting of shareholders may restrict the time and number of speeches by shareholders as deemed necessary for the purpose of smooth proceedings thereof. (Articles of Association NO. 25)

Article 25 (Shareholders' Voting Right)

Each shareholder shall have one vote per share. (Articles of Association NO. 33)

Article 26 (Limitations on Voting Rights of Cross-Held Shares)

If the Company, its parent company and any of the subsidiary companies, or any of the subsidiary companies, alone or in aggregate, hold(s) shares exceeding one-tenth (1/10) of the total issued and outstanding shares in any other company, the shares in the Company held by such other company shall not have voting rights. (Articles of Association NO. 29)

Article 27 (Split Voting)

- ① If any shareholder who holds two (2) or more votes wishes to split his or her votes, the shareholder shall notify the Company, in writing, of such intent and the reasons therefor at least three (3) days prior to the date of a general meeting of shareholders. (Articles of Association NO. 33)
- ② The Company may refuse to allow a shareholder to split his or her votes unless the shareholder has acquired the shares in trust or otherwise holds the shares for and on behalf of any other person. (Articles of Association NO. 29)

Article 28 (Voting by Proxy)

- ① Shareholders may cause an agent to exercise their voting rights. (Articles of Association NO. 33)
- ② Such agent as provided in the foregoing Paragraph ① shall submit documents (powers of attorney) evidencing the authority to act as an agent to the Company prior to commencement of a general meeting of shareholders. (Articles of Association NO. 33)

Article 29 (Method of Resolution in General Meeting of Shareholders)

Except as specifically otherwise provided in applicable laws or herein, any resolution in a general meeting of shareholders shall be adopted by the affirmative vote of a majority of the shareholders present; provided that such votes shall represent not less than one-fourth (1/4) of the total issued and outstanding shares. (Articles of Association NO. 33)

Article 30 <Omitted> (Articles of Association No. 44)

Article 31 (Minutes of General Meetings of Shareholders)

The proceedings of a general meeting of shareholders and the results thereof shall be recorded in the minutes, which shall be kept available at the Company after the chairperson and attending directors affix their seals or signatures thereto.

Chapter 5 Directors and Board of Directors

Article 32 (Number of Directors)

- ① The Company shall have at least three (3) but not more than fifteen (15) directors. The number of external directors shall constitute a majority of the total number of directors. (Articles of Association NO. 35)
- ② In the event the number of external directors does not satisfy the requirements for composition of the Board of Directors determined in Paragraph ① above for reasons of the resignation, death, etc. of external director(s), external director(s) shall be appointed to satisfy the requirements at the general meeting of shareholders first convened after the relevant reason occurs. (Articles of Association NO. 45)

Article 33 (Election of Directors)

- ① Directors shall be appointed in a general meeting of shareholders. (Articles of Association NO. 31)
- ② Directors shall be elected by a majority of voting rights held by the shareholders present and such majority shall represent at least one-fourth (1/4) of the total issued and outstanding shares. (Articles of Association NO. 31)
- ③ In case of appointment of directors, the cumulative voting system provided in Article 382-2 of Commercial Act shall not be applicable. (Articles of Association NO. 29)

Article 34 (Nomination of External Director Candidates)

- ① The External Director Recommendation Committee shall recommend external director candidates from among those who meet such qualifications as provided in applicable laws including the Commercial Act and the Financial Investment Services and Capital Markets Act. (Articles of Association NO. 35)
- ② The External Director Recommendation Committee shall determine the particulars on recommendation of external director candidates and review of their qualifications. (Articles of Association NO. 35)

Article 35 (Term of Office of Directors)

Directors shall be elected for a term of three (3) years and be eligible for re-election; provided that such term shall be extended up to the close of the ordinary general meeting of shareholders convened in respect of the last closing period in case their term expires on a date prior to such ordinary general meeting of shareholders. (Articles of Association NO. 33)

Article 36 (Election of Directors in case of Vacancy)

① Any vacancy in the office of the directors shall be filled by a resolution in a general meeting of shareholders; provided that if the number of directors does not fall below the number provided in Article 32 hereof and there is no difficulty in performance of business affairs, the foregoing shall not apply. (Articles of Association NO. 33)

② If the number of external directors falls below the required number set forth in Article 32 hereof for such reasons as their resignation or death, the requirement shall be satisfied in a general meeting of shareholders held immediately following occurrence of such event. (Articles of Association NO. 33)

Article 37 (Election of Representative Director, etc.)

The Company may appoint, by a resolution of the Board of Directors, several Representative Director(s), Chairman, Vice Chairman, Presidents, Executive Vice Presidents, Senior Vice Presidents, and Vice Presidents. (Articles of Association NO. 48)

Article 38 (Duties of Directors)

① The representative director shall represent the Company and oversee affairs of the Company.

② The Presidents, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents shall assist the Representative Director(s) and perform their respective duties for the Company as determined by the Board of Directors. In the event the representative director is incapable of performing his or her duties, an officer of the Company shall vicariously perform his or her duties as determined by the Board of Directors. (Articles of Association NO. 48)

Article 39 (Directors' Duty to Report)

① A director shall report the status of business execution to the Board of Directors at least once in three (3) months. (Articles of Association NO. 33)

② If a director finds any facts which may cause substantial losses to the Company, such director shall promptly make a report thereof to the Audit Committee. (Articles of Association NO. 33)

Article 40 (Composition and Summoning of the Board of Directors)

① The Board of Directors shall consist of directors and make decisions on important matters concerning business of the Company.

② The representative director or a director specifically determined by the Board of Directors, if any, shall summon the Board of Directors by giving a seven (7) days' notice to each director; provided that such notice may be omitted with the consent of all directors.

③ The person who has the authority to summon the Board of Directors as provided in the foregoing Paragraph ② shall serve as the chairperson of the Board of Directors. (Articles of Association NO. 31)

Article 41 (Resolution Method of the Board of Directors)

① A resolution by the Board of Directors shall require the attendance of a majority of all directors and be adopted by consent by a majority of the attending directors; provided that a resolution by the Board of Directors on matters subject to Article 397-2 (Prohibition of Appropriation of Corporate Opportunities and Assets) and Article 398 (Prohibition of Self-Dealing Transactions) of the Commercial Act shall require consent by at least two-thirds (2/3) of all directors. (Articles of Association NO. 40)

② The Board of Directors may permit all or some of its directors to participate in a decision-making process without direct presence in a meeting thereof by means of communication whereby all the directors may transmit and receive voice simultaneously. In such case, the directors using such means of communication shall be deemed present at the meeting of the Board of Directors. (Articles of Association NO. 41)

③ Any director with a special interest in a resolution by the Board of Directors shall not exercise his or her voting right. (Articles of Association NO. 31)

Article 42 (Meeting Minutes of the Board of Directors)

① The proceedings of the Board of Directors shall be recorded in its minutes. (Articles of Association NO. 33)

② The minutes shall include agenda, proceedings, results, opponents, and cause of opposition. All directors present shall affix their seals or signatures thereto. (Articles of Association NO. 33)

Article 43 (Committees)

① The Company shall establish the following committees within the Board of Directors:

1. Audit Committee

2. External Director Recommendation Committee; (Articles of Association NO. 35)

3. Management Committee; (Articles of Association NO. 36)

4. Internal Transaction Committee. (Articles of Association NO. 41)

5. Other committee deemed necessary by the Board of Directors (Articles of Association NO. 48)

② Particulars of each committee including composition, power, and operation thereof shall be determined by a resolution of the Board of Directors.

③ Articles 40, 41, and 42 hereof shall apply *mutatis mutandis* in respect of the committees. (Articles of Association NO. 41)

Article 44 (Remuneration and Severance Allowance of Directors)

① Remuneration of directors shall be determined by a resolution in a general meeting of shareholders. (Articles of Association NO. 31)

② Severance allowances for directors shall be subject to the Officers' Severance Allowance Rules as determined by a resolution in a general meeting of shareholders. (Articles of Association NO. 31)

Article 45 (Counsel and Advisors)

The Board of Directors may have several counsel and advisors by its resolution.

Chapter 6 Audit Committee

Article 46 (Composition of the Audit Committee)

- ① The Company shall establish the Audit Committee as provided in Article 43 hereof in replacement of an auditor.
- ② The Audit Committee shall comprise three (3) or more directors. At least two-thirds (2/3) of its members shall be external directors. Its members who are not external directors shall meet the requirements set forth in Article 542-10(2) of the Commercial Act. (Articles of Association NO. 41)
- ③ The members of the Audit Committee shall be appointed among the directors appointed by a general meeting of shareholders. Provided, however, that separately from other directors appointed by the general meeting of shareholders, one (1) director shall be appointed for the purpose of becoming an Audit Committee member. (Articles of Association NO. 48)
- ④ The members of the Audit Committee shall be appointed by a majority of voting rights held by the shareholders present and such majority shall represent at least one-fourth (1/4) of the total issued and outstanding shares. Provided, however, that if shareholders are permitted to exercise their voting rights through electronic means under Article 368-4(1) of the Commercial Act, the members of the Audit Committee may be appointed by a majority of voting rights held by the shareholders present through electronic means. (Articles of Association NO. 48)
- ⑤ The Audit Committee shall appoint, by its resolution, a person who represents the Audit Committee. In such case, the chairperson thereof shall be an external director. (Articles of Association NO. 32)
- ⑥ In the event the number of external directors does not satisfy the requirements for composition of the Audit Committee determined in this Article 46 for reasons of the resignation, death, etc. of independent auditor(s), independent auditor(s) shall be appointed to satisfy the requirements at the general meeting of shareholders first convened after the relevant reason occurs. (Articles of Association NO. 45)

Article 47 (Duties of the Audit Committee)

- ① The Audit Committee shall audit the accounting and the conduct of the business of the Company.
- ② When deemed necessary at its reasonable discretion, the Audit Committee may request in writing that the Board of Directors be summoned by submitting the purpose of such meeting and the reason for its convocation to the representative director (referring to the person with the authority to summon the Board of Directors if there otherwise exists such person; the same shall apply hereinafter). (Articles of Association NO. 41)

- ③ If the representative director fails to promptly summon the Board of Directors despite a request as provided in the foregoing Paragraph ②, the Audit Committee that has requested such meeting may convene the Board of Directors. (Articles of Association NO. 41)
- ④ The Audit Committee may request convocation of an extraordinary general meeting of the Board of Directors by submitting the purpose of such meeting and the reason for its convocation, in writing, to the Board of Directors. (Articles of Association NO. 41)
- ⑤ The Audit Committee may request the subsidiary companies to report its business when it is necessary to perform its duties. In such case, if the subsidiary companies fails to promptly make such report or if it is necessary to confirm the content of such report, the Audit Committee may investigate the business and asset status of the subsidiary companies. (Articles of Association NO. 41)
- ⑥ The Audit Committee shall appoint the independent auditor of the Company. (Articles of Association NO. 45)
- ⑦ The Audit Committee shall also handle matters delegated by the Board of Directors other than those set forth in the foregoing Paragraphs ① through ⑥. (Articles of Association NO. 41)

Article 48 (Audit Report)

The Audit Committee shall prepare an audit report with respect to its audit. The audit report shall record the proceedings and results of its audit, with seals or signatures of members of the Audit Committee who conducted the audit affixed thereto. (Articles of Association NO. 31)

Chapter 7 Calculation

Article 49 (Fiscal Year)

A fiscal year of the Company shall be from January 1 to December 31 each year.

Article 50 (Preparation, Maintenance, etc. of Financial Statements)

① The representative director of the Company shall prepare the following documents as well as supplementary statements and business reports and have them audited by the Audit Committee six (6) weeks prior to the date of an ordinary general meeting of shareholders. He shall also submit each of the following documents and business reports to an ordinary general meeting of shareholders:

1. Balance sheet;
2. Income statement; and
3. Other documents that indicate the Company's financial position and management performance as provided in the Enforcement Ordinance of the Commercial Act.

② If the Company has to prepare consolidated financial statements as provided in the Enforcement Decree of the Commercial Act, such consolidated financial statements shall be included in each document set forth in the foregoing Paragraph ①. (Articles of Association NO. 40)

③ Notwithstanding the foregoing Paragraph ①, in the event each of the following requirements has been met, the Company may give its approval by a resolution of the Board of Directors: (Articles of Association NO. 41)

1. If an independent auditor opines that each document as set forth in the foregoing Paragraph ① reasonably indicates the Company's financial position and management performance in accordance herewith and with applicable laws; and
2. If all members of the Audit Committee give their consent thereto.

④ Upon approval by the Board of Directors according to the foregoing Paragraph ④, the representative director shall report the details of each document set forth in the foregoing Paragraph ① to a general meeting of shareholders. (Articles of Association NO. 41)

⑤ The representative director shall keep available the documents and supplementary statements provided in the foregoing Paragraph ①, along with business reports and audit reports, at the head office of the Company for five (5) years from one (1) week prior to the date of an ordinary general meeting of shareholders and the copies thereof at branches for three (3) years therefrom. (Articles of Association NO. 41)

⑥ Immediately upon approval of each document set forth in the foregoing Paragraph ① in a general meeting of shareholders or upon approval by the Board of Directors according to the foregoing

Paragraph ④, the representative director shall promptly make a public announcement of the balance sheet and the audit opinion of an independent auditor. (Articles of Association NO. 41)

Article 51 (Appointment of Independent Auditor)

The Audit Committee shall appoint the independent auditor, and shall make a report thereof to the ordinary general meeting of shareholders convened after the appointment or shall be notified or announced to shareholders as determined by the Enforcement Decree of the Act on External Audit of Stock Companies, Etc. (Articles of Association NO. 45)

Article 52 (Disposition of Profits)

Profits of the Company for each fiscal year (including unappropriated retained earnings) shall be disposed of as follows:

1. Legal reserves (legal reserves under the Commercial Act);
2. Other statutory reserves;
3. Dividends;
4. Voluntary reserves;
5. Other retained earnings to be appropriated; or
6. Unappropriated retained earnings to be carried forward to the subsequent year.

Article 52-2 (Capital transfer of reserve fund)

If the Company issues new stock for the capital transfer of the reserve fund, different types of stocks other than common stock may be assigned to the common stock with the resolution of the board of directors, and if the Company issues several types of stocks, the new stocks to be assigned to the common stock may be different types of stocks other than common stock, and the new stocks to be assigned to the preferred stock may be preferred stock, or other types of stocks other than common stock or preferred stock. (Articles of Association NO. 43)

Article 53 (Dividends)

① Dividends may be paid in the form of cash, shares, or other property. (Articles of Association NO. 40)

② In the event dividends are paid in the form of shares and the Company has issued several types of shares, the Company, by a resolution in a general meeting of shareholders, may pay such dividends with shares of which type is different from that of the shares held by the payees of dividends. (Articles of Association NO. 43)

③ Dividends as provided in the foregoing Paragraph ① shall be paid to the shareholders entered on and the pledgees registered with the register of shareholders of the Company as of the end of each closing period. (Articles of Association NO. 33)

Article 54 (Extinct Prescription of the Claims for Payment of Dividends)

① Claims for payment of dividends shall be extinguished if they are not exercised for five (5) years. (Articles of Association NO. 33)

② Upon the expiry of the prescription in the foregoing Paragraph ①, dividends shall belong to the Company. (Articles of Association NO. 33)

ADDENDA

1. (Enactment of detail rules) The Company may enact and execute the detail rules required for the business promotion and management with the resolution of the board of directors as necessary. (Articles of Association NO. 29)

2. (Application scope) The matters not contained in the provision of this Articles of Association will follow the minutes of the meeting with the resolution of the Shareholders' general meeting, and the matters not contained in the minutes of the meeting will follow Civil Code and other laws.

3. This Articles of Association is executed from Mar. 26 2018 (Articles of Association NO. 44)

4 This Articles of Association shall take effect from March 28, 2019. Provided, however, that Article 1 shall take effect from May 8, 2019, and Articles 9, 13, 14, 16-2, and 18-2 shall take effect from September 16, 2019 on which the Enforcement Decree of the Act on Electronic Registration of Stocks, Bonds, Etc. takes effect. (Articles of Association NO. 45)

5. This Articles of Association shall take effect from Dec. 29 2020. (Articles of Association NO. 47)

6. This Articles of Association shall take effect from March 30, 2021. (Articles of Association NO. 48)

※ In the event of any conflict between the Korean language and English language of this Articles of Association, the Korean language shall prevail.