

The Guidelines on Disclosure of Corporate Governance

※ Matters to be attended to when you write the report

■ Corporate governance report should contain the data of whether a company is complying with the provided rule of Comply or Explain (comply with the principle, if not, explain the reason)

- Focusing on the Key Principles of corporate governance in the disclosure regulation, a firm should thoroughly explain the reason* and the future plan if the company does not conform to the sub-principle. (It should explain the reason** if the company supposes that it is more appropriate not to conform to the sub-principle in view of their individual circumstances.)

* Refer to the KOSPI market disclosure regulation annexed paper, 'Corporate Governance Key Principles'

** For this case, ① the explanation should be detailed and reasonable enough for the investors to understand the reason why it is more appropriate for the corporate not to comply with the principle ② and if there is another option that the company chose instead of the rules presented in the Sub-principle, the company should explain why it is more appropriate to conform to that option rather than following the Sub-principle.

■ Write down the details of the items provided in this guideline so that the investors can be aware of whether or not the company observes the key principles as well as the sub-principles.

- The details should be written in a 'narrative' style so that enough and substantial information can be provided through the corporate governance report and the report should be made out referring to the annexed table(See p.32)

* Details of item in the guideline and the contents of attached table should all be filled out

- In order to thoroughly explain whether the company observes the principles such as the key principles, the contents may be supplemented if there are any other additional information besides the items provided in this guideline(can add table etc.)

► **Company name:**

► **Person in Charge :** (Primary) (Secondary)

(It may be different from the person who is in charge of disclosure)

► **Date of completion:** on the last day of the previous business year(e.g.: in case of a company which settles in December. Dec. 31st. 20XX.)

※ Not elsewhere indicated, write **“the disclosure period” from the opening day* of the business year** to which date of completion belongs **to the last day of the business year** (e.g. : for the corporate with settlement of accounts in Dec. 2018, submitting corporate governance report in May 2019, ; Jan. 1st. 2018.~Dec. 31st. 2019.)

* In case when duration is separately indicated, calculate the duration indicated as of the date of completion

((e.g.) in the recent 2 years → if a corporate which settles in Dec. submits the report in May 2019; Jan.1. 2017 ~ Dec.31. 2018)

※ Not elsewhere indicated, write **Corporate governance status**(e.g.: composition of the board of directors, whether a corporate adopted voting in writing and electronic voting or not) based **on the last day of the business year** to which date of completion belongs,

- However, if there are variables between the date of report completion and the time of report submission, the result of changes should be written separately specifying the date of completion

► **Company outline**

| Industry | | Asset Size (consolidated standard) (unit: KRW) | | | Listed Market | | | Affiliated to corporate group (Under the Fair Trade Act) | |
|-------------|---------|--|---------------|-------------|---------------|--------|----------|---|----------------|
| non-finance | finance | less than 500bn | less than 2tn | 2tn or more | KOSPI | KOSDAQ | unlisted | applicable* | non-applicable |
| | | | | | | | | | |

* Write the relevant corporate group name if a company is affiliated with a corporate group.

1. Corporate Governance Policy

- ▶ Specify the principles of corporate governance and the direction of policy operation and its priorities(transparency of the management, soundness, stability, checks and balances, etc.)
- ▶ Explain the unique characteristics of corporate governance(composition of the board of directors centering on the outside directors, operation driven by the committees of the board of directors, strengthening the professionalism of the committees of the board of directors).

2. Shareholders

(Key Principle 1) Shareholders' rights

- **Shareholders should receive sufficient and necessary information in a timely manner prior to exercising their rights, and should be able to exercise their rights through appropriate procedures.**

(Sub-principle 1-①) Corporate should provide sufficient information about the general meeting of shareholders well in advance of the meeting. The information should include the date, venue, agenda and allow the shareholders to fully participate in the general meeting of shareholders and to offer their suggestions.

- ▶ **Explain the general matters related to the information provision on the general meeting of shareholders such as the date, venue, and the agenda to the shareholders including the information below.**

(i) General meetings of shareholders held during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date

- Date of agenda provision(date determined to convoke/announce (XX days before the meeting)), date and time, venue, means of notification, attendance of the member of board of directors(Refer to table 1-1-1)

(ii) Pros and cons ratio by the agendas, and the specific voting results of general meeting of shareholders during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date (Refer to table 1-1-2)

- ▶ **Explain whether the information relevant to the general meeting of shareholders is provided well in advance based on the written contents above. If it is not abided by, explain the reason and the future plan.**
- ▶ **Explain the general matters regarding the direct or indirect exertion of voting rights by the shareholders including the information below.**

- (i) Whether the general meetings of shareholders have been held on the day other than the day on which most of the general meetings of shareholders are concentrated during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date (Refer to table 1-1-1)
- (ii) Whether voting in writing/electronic voting are adopted and the status of proxy solicitation etc.

► **Explain whether enough actions are taken for shareholders' participation in the general meetings of shareholders based on the written contents above. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 1-②) Corporate should enable the shareholders to easily propose an agenda to the general meeting of shareholders, and allow questions and explanations to be freely asked and called upon on the agenda suggested by shareholders at the general meeting of shareholders.

► **Explain general matters related to the shareholder proposal rights including the information below.**

- (i) Whether the procedure for shareholders' proposal making is guided through a web site.
- (ii) Whether internal standard and procedures through which an agenda proposed by a shareholder can be processed are in place
- (iii) Proposals made by shareholders and its implementation status during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date (specify the ratio of pros and cons by agendas at the general meeting of shareholders)(Refer to table 1-2-1)

► **Explain whether shareholders are easily allowed to exert the shareholder proposal rights based on the written contents above. If it is not abided by, explain the reason and the future plan.**

► **Explain whether a shareholder can freely ask questions and call upon explanations at a general meeting of shareholders for the agendas proposed by shareholders except for the case of filibuster or duplicated inquiries. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 1-③) Corporate should provide its dividend policy and the future dividend plan to the shareholders, and the shareholders' rights to be granted with proper level of dividend in accordance with the related policy should be respected.

► Explain the general information relevant to dividend including the information below.

- (i) Corporate dividend policy, future dividend plan, and the way the applicable information is explained to the shareholders
- (ii) Propensity to dividend in the recent 3 business years(write consolidated standard and individual standard separately), gross dividends, market value dividend rate etc. (Refer to table 1-3-1)
- (iii) Whether differential dividend • quarterly dividend and interim dividend are granted in the recent 3 business years and the execution details thereof(statement of differential dividend allocation, date of the board of directors, dividend per share, total dividends etc)

► Explain whether applicable information is fully guided to the shareholders well in advance based on the written contents above. If it is not abided by, explain the reason and the future plan.

► Explain whether the shareholders' rights to receive proper level of dividend is respected based on the written contents above. If it is not abided by, explain the reason and the future plan.

(Key Principle 2) Fair treatment of shareholders

- **Shareholders should hold fair voting rights according to the type and number of shares owned, and companies should equip an adequate system to provide fair information to shareholders.**

(Sub-principle 2-①) Corporate should create an environment where infringement on the voting rights of shareholders does not take place, and provide sufficient corporate information to the shareholders at the right time, in a fair manner.

- ▶ **Explain the general information, as of the date of completion, related to the stock issue including the information below. If there are amendments as of the date of report submission, the result of changes should be written separately specifying the date of completion.**

- (i) Authorized shares, issued and outstanding shares, issued class shares(Refer to table 2-1-1)
- (ii) Voting rights granted to the class shares, general meeting of shareholders for class shares etc.

- ▶ **Explain whether voting rights are granted fairly according to the class and amount of the stock holding based on the written contents above. If it is not abided by, explain the reason and the future plan.**

- ▶ **Explain the general matters relevant to the communications with the shareholders including the information below during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date.**

- (i) Specifics of hosting staple IR, conference call, dialogue with some shareholders such as institutional investors etc. (schedule, target, main idea, etc.)(Refer to table 2-1-2)
- (ii) Specifics of whether the contact information (phone number and email address) of IR department is available on the company's web-site
- (iii) Specifics of company's web-site and disclosure in English, and whether contact information of disclosure officer for foreign investors is available(Refer to table 2-1-3)

- (iv) Specifics of fair disclosure(Refer to table 2-1-4)
- (v) Specifics of whether the corporation is designated as unfaithful disclosure corporation, its designation details, and improvement efforts made after the designation, etc.(Refer to table 2-1-5)

- ▶ **Explain, based on the written contents, whether sufficient corporate information is provided to the shareholders at the right time, in a fair manner. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 2-②) The corporate should equip and operate protective measures that can protect the shareholders from unfair internal transaction and self dealing of other shareholders such as controlling shareholder etc.

- ▶ **Write the internal control system(policy) of the corporate in detail related to the internal trading with affiliated companies and self-dealing with the management or controlling shareholders. If these frameworks are not put in place, write the reason and the future plan.**

- (i) Control system(policy) for internal trading and self-dealing
- (ii) Write the transaction history with stakeholders such as controlling shareholders(write in accordance with section of transactions with stakeholders((e.g.) : periodic reports)

3. Board of Directors

(Key Principle 3) Functions of the board of directors("the Board")

- **The Board must establish the business objectives and strategies in the best interests of the corporation and its shareholders, and effectively supervise the activities of the management.**

(Sub-principle 3-①) The board of directors should effectively perform its duty of management decision-making and management supervision.

- ▶ **Explain the systems operated by the corporate to help the board of directors to smoothly perform its function as a mainstay of corporate operation and the related matters including the information below.**

- (i) Institutional framework to support effective performance of the Board
- (ii) Deliberations • resolutions of the board of directors stipulated in the articles of association or regulations of the Board
- (iii) Authority of the Board entrusted to the committees of the board of directors and the representative director(or representative executive director)

- ▶ **Based on the written contents above, explain whether the board of directors effectively performs its functions of decision-making and supervision in the management. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 3-②) The board of directors should prepare and operate and consistently improve and complement succession policy(including contingency appointment plan) and internal control policy(risk management, compliance with the relevant rule and regulations, Internal Accounting Control System etc.) for the Chief Executive Officer.

- ▶ **Write the matters of succession procedures of Chief Executive Officer((e.g.) contingency plan, succession procedure, educational system of the executive and the candidate, etc.), and explain whether the board of directors consistently improve and complement them. If it is not abided by, explain the reason and the future plan.**

- **Explain the general matters on the internal control policy. Explain whether the board of directors constantly improves and complements the measures. If it is not abided by, explain the reason and the future plan.**
- (i) Whether the board of directors prepare policies for risk management, and compliance with the relevant rule and regulations, and its operational status (including the explanation on organizational status of disclosure, and disclosure management system status)
- (ii) Whether the board of directors prepare policies for Internal Accounting Control System, and its operational status

(Key Principle 4) Composition of the Board

- **The board should be composed so as to facilitate effective decision-making and supervision of management, and directors should be appointed through a transparent process, which reflects the diverse opinions of shareholders.**

(Sub-principle 4-①) The board of directors should be composed in a way that effective and prudent discussion and decision-making is possible, with enough number of outside directors so that it can fulfill its function independently from the management and the controlling shareholders.

► **Explain the compositional status of the board of directors including the information below.**

- (i) Organizational chart of the board of directors, committees of the board of directors, and supporting departments(including personnel set up)
(Refer to table 4-1-1)
- (ii) Composition of the board of directors and committees of the board of directors, major role of chairperson and head commissioner, and the committees (Refer to table 4-1-2, 4-1-3)
- (iii) Status of outside directors such as the number, ratio, and reappointment, etc.
- (iv) Whether the representative director and the chairman of the board of directors are separated, if not, whether senior outside director is separately appointed.

► **Explain whether the board of directors is comprised in a way that effective and prudent discussion and decision-making is possible and enough number of outside directors are in place so that they can perform their function independently from the management and the controlling shareholders based on the written contents above. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 4-②) The board of directors should be comprised of responsible and competent professionals in various fields considering their knowledge and career so that they can effectively contribute to the corporate management.

► **Explain the status of the board of directors including the information below.**

- (i) Whether the corporate policy is established to secure professionalism, accountability, and diversity(appointment of female directors) of the board of directors, and its operational status in detail
- (ii) History of appointments and changes of the directors during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date(Refer to table 4-2-1)

► **Explain whether the board of directors consists of capable individuals who have professionalism and responsibility, and whether the board is competitive enough having the directors who have diverse backgrounds based on the written contents above. If inadequate, explain the reason and the future plan.**

(Sub-principle 4-③) Fairness and independence should be secured during the recommendation and appointment process of the candidates for the directors.

► **Explain whether the recommendation committee for the candidates for the directors is established, composition status of the committee(including the outside directors ratio), and the details of its activities**

► **Explain if sufficient information on the candidates for the directors is provided to the shareholders well in advance, including the information below.**

- (i) Whether enough time is given to the shareholders for the review of information with regards to the candidate for the directors when appointment of the directors is included in the general meeting of shareholders' agenda, during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date(Refer to table 4-3-1)

(ii) Whether the past activities of the candidates for the directors who are reappointed to the board of directors, and these contents are sufficiently provided to the shareholders.

- ▶ Explain whether cumulative voting is adopted and the corporate makes efforts to reflect the opinions of minority shareholders during the selection of candidates and appointment process of the directors.
- ▶ Based on the written contents above, explain if there are sufficient measures to secure the fairness and the independence during the recommendation and appointment of the directors. If it is not abided by, explain the reason and the future plan.

(Sub-principle 4-④) People who are responsible for the defamation of the enterprise value or infringement of shareholders' equity interest should not be appointed as an executive officer.

- ▶ Explain the status of executive officers(including non-registered executives).
- ▶ Explain whether the corporate has a policy to avert appointment of executive officers who are accountable for the defamation of corporate value or infringement of shareholders' equity interest, and if such exists, specify the contents. If it is not abided by, explain the reason and the future plan.
- ▶ Examine if there is a case where a person who was finally ruled as committing an act of embezzlement and breach of duty has been appointed as an executive officer, if there is any, explain the status(Omit the name of a person if there is potential violation of the Personal Information Protection Act). If it is not abided by, explain the reason and the future plan.
- ▶ Explain whether executive director system is adopted and if there is, identify the background, reason to adopt the scheme, relevant regulations, and the operational status, etc.

(Key Principle 5) Responsibilities of Outside Directors

- **Outside directors should be able to independently participate in important corporate management decision-making, and to supervise and support the management as a Board member.**

(Sub-principle 5-①) Corporate should identify, during the appointment stage of the process, that outside directors do not have significant personal interests in the corporate.

- ▶ **Write the general interests between the outside director who is in office on the date of report submission and the relevant corporate including the information below.**
 - (i) Whether an outside director has been an employee of the corporate(including affiliated companies), and the details(Refer to table 5-1-1)
 - (ii) Whether an outside director(or the corporate where an outside director is one of the largest shareholders) has transaction history with the corporate(including affiliated companies), and the details(in the recent 3 business years)(Refer to table 5-1-1)
 - (iii) Procedures and related internal regulations through which a corporate verifies the contents above.
- ▶ **Write the tenure of service(0 years and 0 months) of each outside director on the date of report submission and the reason of having an outside director, if there is any, who has been working for more than 6 years on the date of report submission(Refer to table 5-1-2)**
- ▶ **Based on the written contents above, explain whether the outside directors do not have significant personal interests with the corporate and whether the corporate put in enough amount of measures to appoint an outside director without personal interest with the corporate. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 5-②) Outside directors should put enough amount of time and efforts to sincerely fulfill their duty, and the corporate should provide enough amount of information and resources necessary for the outside directors' performance of duty.

► **Write general matters related to the fulfillment of duty by the outside directors including the information below.**

- (i) Internal standard of allowing outside directors' having concurrent position in another corporate
- (ii) The status of concurrent position held by outside directors on the date of report submission(Refer to table 5-2-1)
- (iii) During the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date, whether the corporate holds the regular/extraordinary meetings in which outside directors participate separately from the board of directors meeting(date of meeting, main discussion point, status of attendance, etc.)(Refer to table 5-2-2)

► **Based on the written contents above, explain whether outside directors are investing enough time and efforts in sincerely performing their duty. If it is not abided by, explain the reason and the future plan.**

► **Explain the policy prepared by a corporate for the fulfillment of duty of the outside directors and its specific operational status including the information below.**

- (i) Procedures to provide information and human/material resources to outside directors and its specific status of provision
- (ii) Whether a responsible department is designated to respond to the information demanded by outside directors

► **Based on the written contents above, explain whether the corporate provide enough amount of information, resources needed for the outside directors' performance of duty based on the written contents. If it is not abided by, explain the reason and the future plan.**

(Key Principle 6) Evaluation of outside directors' activities

- **To promote active performance of duties by the outside directors, their activities should undergo fair evaluation; and the decisions on their remuneration and reappointment should be made on the basis of the outcomes of such evaluation.**

(Sub-principle 6-①) Evaluation of the outside director should be based on the individual performance, and the remuneration should be determined at a proper level in consideration of accountability, risk of fulfilling the duty, and the time spent.

- ▶ **Explain whether outside directors are evaluated based on the individual performance including the information below. If appraisal is not made, explain the reason and the future plan.**

- (i) Whether outside directors are appraised, and if appraisal is made, how to secure fairness in the appraisal.
- (ii) Detailed method of appraisal(self-evaluation, peer review of outside directors, employee evaluation, and external evaluation, etc.) and relevant regulations, etc.

- ▶ **Specify the remuneration of outside directors including the information below. Based on the written contents, explain whether the remuneration of outside directors are determined at a proper level in consideration of the accountability, risk of fulfilling the duty, and the time spent. If it is not abided by, explain the reason and the future plan.**

- (i) Remuneration policies including the stock option, the background of policy establishment, and specific standard of the remuneration estimation
- (ii) Amount of the stock option offered, specifics on the exercise condition(including whether it is linked with the performance).

(Sub-principle 6-②) The appraisal result of the outside directors should be reflected in the remuneration estimation and the decision on the reappointment.

- ▶ Write how the evaluation results of outside directors are utilized as base data for determining remuneration of outside directors and deciding reappointment. If the results are not utilized, explain the reason and the future plan.

(Key Principle 7) Operation of the Board

- **The Board should be operated efficiently and rationally to ensure that the management decisions are made in the best interests of the corporation and shareholders.**

(Sub-principle 7-①) The Board of directors should be held in principle, on a regular basis, and the corporate should prepare operational regulations that stipulate the authority, responsibility and operational procedures of the board of directors in detail.

► **Explain the general matters related to the operation of the board of directors including the information below.**

- (i) Regulations related to the regular board meetings(articles of association or operational regulations for the board of directors)
- (ii) Details of regular/extraordinary board meetings during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date(Refer to table 7-1-1)
- (iii) Write whether the meeting schedule is decided in advance and prior notice of convocation is given,(specify the notification date of agenda) etc.(Refer to table 7-1-1)

► **Based on the written contents above, explain whether the board of directors are regularly held, and whether the operational regulation for the board of directors is in place. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 7-②) The board of directors should record minutes in detail for every meeting and disclose the attendance rate of each director at the board meeting and the activities such as the approval and disapproval on the agenda.

- ▶ **Explain whether the minutes and depositions are made and preserved in detail. If it is not abided by, explain the reason and the future plan.**
- ▶ **Write whether the attendance details at the board meeting during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date(Refer to table 7-2-1), approval rate of the agenda in the recent 3 business years(Refer to table 7-2-2), and the discussion points and main resolutions are recorded based on each director respectively. If it cannot be disclosed, explain the reason and the future plan.**

(Key Principle 8) Committees of the Board

- For an efficient operation, the Board should establish internal committees which are responsible for the performance of specific functions and roles.

(Sub-principle 8-①) At least majority of members of the committees of the board of directors should be composed of outside directors, and all of the members of the audit committee and remuneration(compensation) committee should be comprised of outside directors.

- ▶ Explain the existence, main role, and the composition of committees of the board of directors such as audit committee, committee for recommendation of candidates for directors, remuneration(compensation) committee, internal transaction committee, risk management committee, etc.(can be omitted if it was described in Sub-principle 4-①)
- ▶ Explain if the majority of the committees of the board of directors(all the members of the audit committee, and remuneration(compensation) committee) are comprised of outside directors. If it is not abided by, explain the reason and the future plan.

(Sub-principle 8-②) Organization, operation and the authority of all the committees should be stipulated in the express provision, and the committee should report the resolutions to the board of directors.

- ▶ **Explain whether the organization, operation and the authority of committees of the board of directors are stipulated in the express provision including the information below. If it is not abided by, explain the reason and the future plan.**

(i) Purpose of establishment, authority and responsibility, activities in the disclosure period, performance evaluation, composition, qualification, and appointment & dismissal etc. of the committee.

- ▶ **Explain whether the resolutions of the committees are reported to the Board. If it is not abided by, explain the reason and the future plan.**
- ▶ **Write** the details of meetings hosted by each committee during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date, and attendance rate of each director in the recent 3 business years.(Refer to table 8-2-1)
(But, write the details of audit committee under sub-principle 9-②)

4. Audit Systems

(Key Principle 9) Internal auditing bodies

- **Internal auditing bodies should perform their auditing duties faithfully by maintaining independence from the management and controlling shareholders, and the details of key activities of internal auditing bodies should be disclosed.**

(Sub-principle 9-①) Internal auditing bodies should secure independence and professionalism

- ▶ **Write the composition of internal auditing body, such as the audit committee and auditors, including the information below.**
 - (i) Composition, member and appointment of internal auditing bodies, specifics of accountants/financial experts or auditing experts(write related career qualifications in detail)(Refer to table 9-1-1)
 - (ii) Policies to secure independence and professionalism of internal auditing bodies(requirements for candidates selection, whether full time auditor can have concurrent position, etc.)
- ▶ **Write matters related to the operation of internal auditing body including the information below.**
 - (i) Whether there is a separate regulation stipulating the operational objective, organization, authority and responsibility of internal auditing bodies and its contents
 - (ii) Provision of education needed to execute a task(education time during the disclosure period, education contents, whether education plan in the internal accounting management regulation is actually performed) and whether an advisory service is provided by external experts and its contents
 - (iii) Procedures to investigate fraudulent act by the management and the support provided by the management in terms of information and costs for internal auditing bodies
 - (iv) Whether the supporting organization for the internal auditing body is set up(organization, independence from its management, position of the people in charge, number of members, roles, professionalism of the members, reporting system to the internal auditing bodies. etc.)

(v) Internal auditing bodies' accessibility to the information relevant to the management owned by the corporate and matters having a major impact on its management

► **(In case when an audit committee is in place) Explain if proper level of remuneration is offered that corresponds to the legal liability of audit committee member as well as that can faithfully compensate the performance of their duties.**

(i) Remuneration policy operations, remuneration ratio compared to the outside directors(who is not an audit committee member)

► **Explain whether internal auditing bodies thoroughly secure independence and professionalism based on the written contents above. If it is not abided by, explain the reason and the future plan.**

(Sub-principle 9-②) Internal auditing bodies should execute auditing work with sincerity e.g. hosting regular meetings and transparently disclose the details of activities.

► **Explain the details of activities including the information below such as hosting regular meetings of internal auditing bodies.**

- (i) Details of auditing activities by internal auditing bodies, and the appointment of external auditors, whether the operational condition of Internal Accounting Control System is evaluated during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date
- (ii) (In case when an audit committee is in place) Details of audit committee meetings, and attendance of each director during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date, and attendance rate of each director in the recent 3 business years, etc. (Refer to Table 9-2-1)
- (iii) Whether internal regulations regarding auditing procedure, record and preservation of minutes/audit report, and reporting procedure of general meeting of shareholders exist and its contents

► **Explain whether faithful auditing related work is conducted by internal auditing bodies based on the written contents above. If not, explain the reason and its future plan.**

(Key Principle 10) External auditors

- In order to make certain that the shareholders and other users have confidence in the corporate financial information, an external auditor must perform his/her auditing tasks fairly and independently from the corporation audited, including its management and controlling shareholders.

(Sub-principle 10-①) Internal auditing bodies should prepare and operate the policy to secure the independence, and professionalism when they appoint external auditors.

► **Write the policies on the appointment and operation of external auditors including the informations below.**

- (i) Appointment standard and procedures in order to secure independence/professionalism of external auditors
- (ii) (In case when auditors are present, instead of audit committee) Whether an auditor appointment committee is in place(list of committee members, assessment result on the level of independence and professionalism of committee members, etc.)
- (iii) The number of meetings held to appoint an external auditor, and matters discussed in each meeting(auditor's independence, evaluation on professionalism, audit schedule, audit time, etc)
- (iv) Whether the external auditor is evaluated after the execution of external auditing and the evaluation details(the degree of participation of directors in charge of external auditing, whether unnecessary data is requested, etc.)
- (v) Whether the non-auditor service is provided, for example, management consultation etc. through the subsidiary of external auditor, and if relevant facts are found, reason for selecting the company and the payment history of related costs(cost of audit and non-audit advisory service)

※ In case when an external auditor who is designated by the Securities and Futures Commission of Financial Services Commission is appointed, the reason for the designation should be written in detail.

- ▶ Based on the written details above, explain whether the corporate sufficiently prepares and operates policies to secure independence, and professionalism of external auditors. If it is not abided by, explain the reason and future plan.

(Sub-principle 10-②) Audit committee(or auditor) should communicate with the auditors periodically in every phase of audit pipeline such as external auditing and audit result reporting etc.

► **Explain the actual condition of the communication between internal auditing bodies and external auditors including the information below**

- (i) Write if external auditing is discussed as a main topic more than 1 time a quarter without the presence of the management.
- (ii) Main content of the discussion(yearly auditing schedule, the main points about financial statement relating to the external auditing or management in general, value evaluation method for financial instruments owned by the corporate, etc) and the procedure to apply it to the internal auditing work(If needed, write the related performance)
- (iii) Procedure for notifying matters of importance which external auditors found during the auditing to the internal auditing bodies, and roles and responsibility of the internal auditing bodies in this regard.

► **Based on the written details above, if the periodic communication between audit committee and the external auditors appears to be insufficient(less than one time a quarter, explain the reason and future plan.**

5. Other Major Considerations (if necessary)

- ▶ **Write important matters which are not provided as a Key Principle in respect of the corporate governance of each company.**
- ▶ **(Attachment) Corporate internal regulations related to the disclosure of corporate governance.**
 - (i) Articles of association, corporate governance charter, operational regulation of the board of directors and code of ethics, etc.
 - (ii) Regulations of the committees of the board of directors such as regulations of audit committee and regulations of remuneration committee, etc.

Conformity level with the Corporate Governance Key Indicators(mandatory)

※ Disclose conformity to the 15 selection of key indicators which need to be encouraged to comply with for the establishment of transparent corporate governance.

| Classification | Key Indicators | Conformity | |
|---------------------------------|---|------------|---|
| | | ○ | × |
| Shareholders | ① Give notice for convocation 4 weeks ahead of the general meeting of shareholders* | | |
| | ② Conduct voting in electronic voting* | | |
| | ③ Hold the general meetings of shareholders on the day other than the day on which most of the general meetings of shareholders are concentrated* | | |
| | ④ Provide the dividend policy and the future dividend plan to the shareholders at least once a year** | | |
| Board of Directors(「the Board」) | ⑤ Prepare and operate the succession policy(including the contingency appointment policy) for the CEO(Chief Executive Officer) | | |
| | ⑥ Prepare and operate the internal control policy | | |
| | ⑦ Separate the chairman of the board of directors and the representative director | | |
| | ⑧ Adopt cumulative voting system | | |
| | ⑨ Establish a policy to avert appointment of executive officers who are accountable for the defamation of corporate value or infringement of shareholder' equity interest | | |
| | ⑩ Non-existence of an outside director who has been working more than 6 years | | |
| Audit Systems | ⑪ Provide education on the internal audit system at least once a year** | | |
| | ⑫ Establish internal auditing bodies(supporting organization to execute internal auditing) | | |
| | ⑬ Appoint accounting specialist for internal auditing bodies | | |
| | ⑭ Internal auditing bodies hold meetings with external auditors more than once a quarter without attendance of the management** | | |
| | ⑮ Establish procedures for internal auditing bodies to have access to the important information related to the corporate management | | |

- Date of completion is based on the time of report submission, except items marked with * are based on the regular general meeting of shareholders held prior to the time of report submission
 items marked with ** are based on the disclosure period

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the conformity to the key indicators

1. Corporate Governance Policy

- No relevant table exists.

2. Shareholders

(Sub-principle 1-①)

- (Table 1-1-1) History of general meetings of shareholders held during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date

| Classification | | The 00th General Meeting of Shareholders | ... | ... |
|---|---------------------------------------|--|-----|-----|
| Day of convocation decision | | Feb. 00. 2019. (D-28 days) | | |
| Day of announcement | | Feb. 00. 2019. (D-28 days) | | |
| Means of notification to the shareholders related to the matters of general meeting of shareholders | | Send letter of convocation, notice on the newspaper, electronic disclosure system of Financial Supervisory Service and Korea Exchange | | |
| Notification of convocation which is comprehensible of foreign shareholders | | Announce the general meeting of shareholders on its own web-sites of each corporate in English | | |
| Date of meeting | | MM. DD. YYYY. (Wed.) A.M 10 | | |
| Whether the meeting date is on a concentration date for general meeting of shareholders | | N/A | | |
| Venue of meeting | | Auditorium on the 20 th floor of the head office | | |
| Details | Attendance of the member of the Board | Complete attendance of 00 participants | | |
| | Important remarks by shareholders | 1) Number of shareholders who made comment: 4(2 institutional investors, 2 individual shareholders) 2) Main point of the remark: approving the agenda | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the hosting of the general meeting of shareholders

- (Table 1-1-2) History of approvals and disapprovals by agendas during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Regular/ extraordinary | | The 00th general meeting of shareholders | | | 2019.2.〇〇 | |
|---------------------------|-------------------------------------|--|-----------------------------|--|--|--|
| Agenda | Classifica tion of Resolution | Objective of the meeting | Approval or rejection | Total number of issued shares which have voting rights (①) ¹⁾ | Number of shares which exerted voting rights out of ① (A) ²⁾ | Number of shares which approve(B) (ratio, %) ³⁾ |
| | | | | | | Number of shares which disapprove or abstain(C) (ratio, %) ⁴⁾ |
| 1 st item | Ordinary | The 00 th (Jan.1.16~ Dec.31.16) approbation of financial statement(including retained earnings appropriation statement) and consolidated financial statement | Approved | XXX,XXX | 〇〇〇,〇〇〇 | △,△△△ (...%) |
| | | | | | | ◇,◇◇◇◇ (...%2 |
| 2 nd item | 2-1 | Special | Rejected | XXX,XXX | 〇〇〇,〇〇〇 | △,△△△ (...%) |
| | | | | | | ◇,◇◇◇◇ (...%) |
| | 2-2 | Special | Approved | XXX,XXX | 〇〇〇,〇〇〇 | △,△△△ (...%) |
| | | | | | | ◇,◇◇◇◇ (...%) |
| 3 rd item | 3-1 | Ordinary | Approved | XXX,XXX | 〇〇〇,〇〇〇 | △,△△△ (...%) |
| | 3-1 | Ordinary | Approved | XXX,XXX | 〇〇〇,〇〇〇 | ◇,◇◇◇◇ (...%) |
| 4 th item | 4-1 | Ordinary | Approval | XXX,XXX | 〇〇〇,〇〇〇 | △,△△△ (...%) |
| | 4-1 | Ordinary | Approval | XXX,XXX | 〇〇〇,〇〇〇 | ◇,◇◇◇◇ (...%) |
| 5 th item | Ordinary | Approbation on the limit of remuneration for the directors | Approved | XXX,XXX | 〇〇〇,〇〇〇 | △,△△△ (...%) |
| | | | | | | ◇,◇◇◇◇ (...%) |

- 1) Write the number of shares except for the shares with restricted voting rights for appointment of auditor and audit committee member.
- 2) Number of shares(A) = Number of shares(B) + Number of shares(C)
- 3) Ratio of approving shares(%) = (B/A) × 100
- 4) Ratio of disapproving-abstaining shares(%) = (C/A) × 100

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the general meeting of shareholders such as explanations **on the en bloc voting** of each agenda(in particular, amendment of articles of association, appointment of directors, appointment of audit committee member)

(Sub-principle 1-②)

- (Table 1-2-1) Recommendation by the shareholders during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date

| Date of suggestion | Suggested by | Main content | Follow-up | Passed /rejected | Approval rate (%) | Disapproval rate (%) |
|--------------------|---------------------------------|--|--|------------------|-------------------|----------------------|
| Feb. XX. 2018. | OOO (Institutional investor) | Recommend OOO as a candidate for outside director who is a prospective member of audit committee | Brought in as an agenda to the regular general meeting of shareholders on Mar. XX. 2018. | Rejected | 15 | 85 |
| Jul. XX. 2018. | OOO (Individual shareholder) | Recommend OOO as a candidate for outside director | Brought in as an agenda to the extraordinary general meeting of shareholders on Aug. XX. 2018. | Passed | 70 | 30 |
| ... | ... | ... | ... | ... | ... | ... |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the shareholders suggestion

(Sub-principle 1-③)

▶ (Table 1-3-1) Dividend statement of the recent 3 business years

(share, KRW, %)

| Business year | Fiscal year-end month | Kind of stock | Stock dividend | Cash dividend | | | | | |
|---------------|-----------------------|---------------|----------------|---------------|--------------------|----------------|-------------------------------|------------------------|-------------|
| | | | | Par value | Dividend per share | Total dividend | Dividend rate to market value | Propensity to dividend | |
| | | | | | | | | Con-solidated | Indi-vidual |
| 2018 | 12 | Common stock | | | | | | | |
| | | Class stock | | | | | | | |
| 2017 | ... | | | | | | | | |
| | | | | | | | | | |
| 2016 | ... | | | | | | | | |
| | | | | | | | | | |

- 1) Dividend per share sums up quarter/interim dividend and fiscal year-end dividend
- 2) Propensity to dividend= total amount of dividend/ consolidated or individual net income
- 3) Dividend rate to market value= Dividend per share/stock price of the dividend record date × 100

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the dividend

(Sub-principle 2-①)

▶ (Table 2-1-1) Share issuance status

| Classification | | Number of issuable shares(unit : shares)* | Number of issued shares(unit : shares)** | Remarks |
|----------------|-----|---|--|---------|
| Common Stock | | | | |
| Class stock | ... | | | |
| | ... | | | |
| | ... | | | |

* : Number of authorized shares as of the date of report completion(number of shares stipulated in the articles of association)

** : Total number of issued shares as of the time of report submission – Total number of shares decreased(reduction of capital, profit redemption) as of the time of report submission

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the issuance of stock

▶ (Table 2-1-2) History of major IR, conference call, dialogues with shareholders during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Date | Target | Occasion | Agenda | Remarks |
|------------|---------------------------------|-----------------|--|---------|
| 20XX.XX.XX | Korean institutional investors | IR | Investment plan for the upcoming 3 years | |
| 20XX.XX.XX | Foreign institutional investors | Conference Call | | |
| ... | ... | ... | ... | ... |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with major IR etc.

- ▶ (Table 2-1-3) History of English disclosure during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

(English disclosure written and submitted by the corporation to the Korea Investor's Network for Disclosure System(KIND)of KRX)

| Date of disclosure | Title of disclosure(English) | Details(Korean) |
|--------------------|---------------------------------|--------------------------|
| 20XX.XX.XX | New Facilities Investment, etc. | Purchase new aircraft... |
| 20XX.XX.XX | | |
| ... | ... | ... |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with English disclosure

- ▶ (Table 2-1-4) History of Fair Disclosure during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

(Fair disclosure submitted through Korea Investor's Network for Disclosure System of KRX)

| Date of disclosure | Title of disclosure | Details |
|--------------------|---|---|
| 20XX.XX.XX | Results of business (temporary) fair disclosure | Provisional performance of 2 nd quarter of 20XX such as sales amount, operating income |
| 20XX.XX.XX | | |
| ... | ... | ... |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with fair disclosure

- (Table 2-1-5) History of whether the corporation has been designated as unfaithful disclosure corporation and its designation details during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

(Fair disclosure submitted through Korea Investor's Network for Disclosure System of KRX)

| Unfaithful disclosure Types | Designation Date | Reason of designation | Demerit points | Fines | Improvement efforts made after the designation |
|-----------------------------|------------------|---|----------------|-------|--|
| Failure of disclosure | Feb. 1. 2018 | Delayed disclosure for a subsidiary's decision to make an equity investment | 5.0 | 0 | Conducted internal training to avoid recurrence (April. 1. 2018) |
| | | | | | |
| | | | | | |

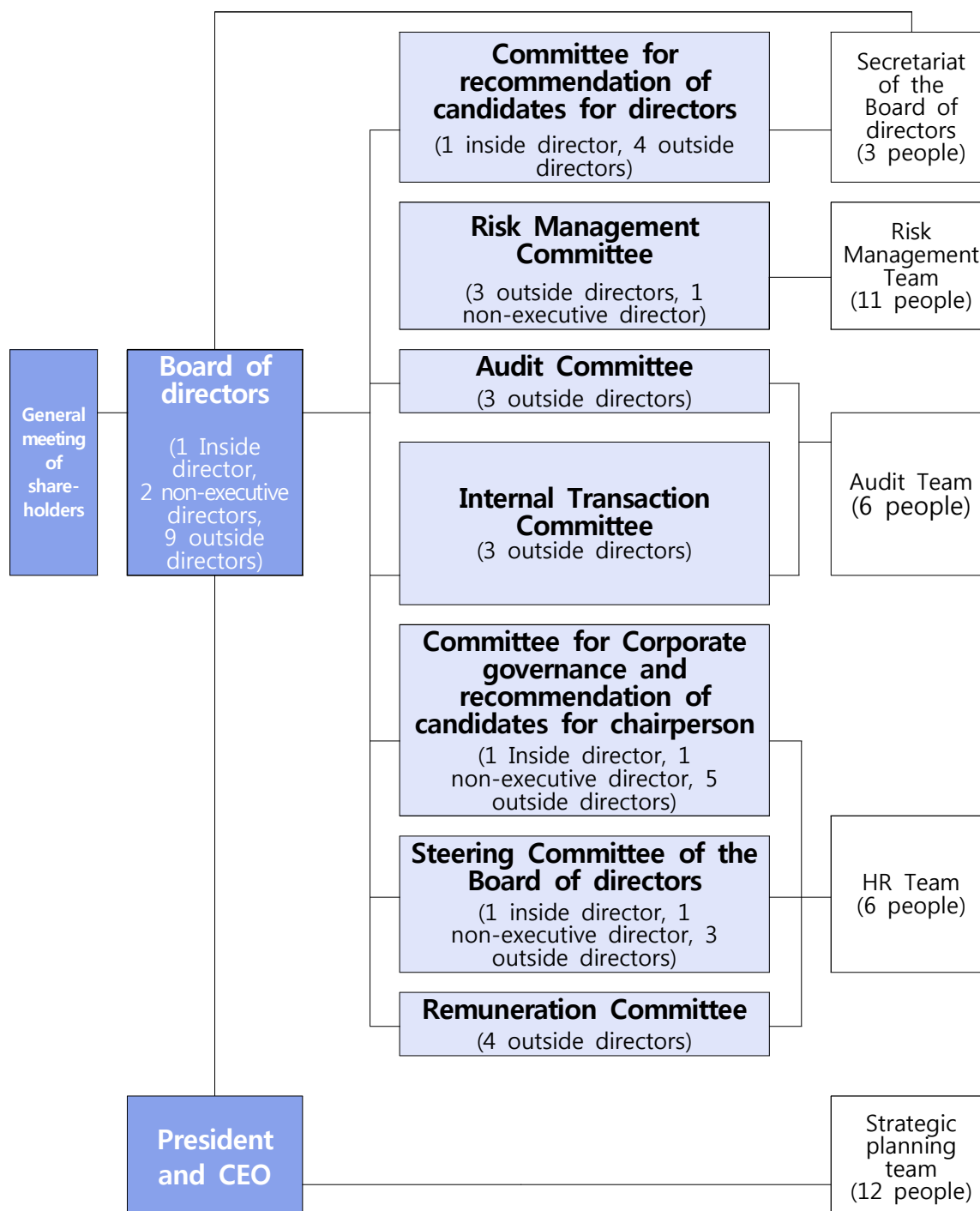
(Other matters to be written)

※ Write the matters to be additionally explained in relevance with designation as unfaithful disclosure corporation

3. Board of Directors

(Sub-principle 4-①)

► (Table 4-1-1) Organizational Chart of Board of Directors



(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the Board of Directors' organizational chart

► (Table 4-1-2) Composition of the Board of Directors

| Classi- fication* | Name | Title | Date of original appointment | Date of tenure expiration | Area of expertise | Primary career |
|----------------------|------|---|------------------------------------|---------------------------------|---|----------------|
| Inside directors | ○○○ | Chairperson of the board of directors | 2015.3.25 | 2018.3.24 | Organization · Personnel affairs | ... |
| Outside directors | ○○○ | ... | ... | ... | Human resources management (professor) | ... |
| Outside directors | ○○○ | Commissioner of audit committee | ... | ... | Accounting, audit (Certified public accountant) | ... |
| Non-exec utive | ○○○ | ... | ... | ... | Law(attorney) | ... |
| | ○○○ | Chairperson of risk management committee | ... | ... | General corporate management | ... |
| | ○○○ | ... | ... | ... | ... | ... |

※ 'Non-executive' refers to 'other non-executive director'; [Commercial Act(Article 317, paragraph 2, item 8) stipulates that directors should be classified and registered as inside directors, outside directors, and other directors who are not engaged in regular business. Write the same under the classification of directors in the table below.)

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the composition of the Board of Directors

► (Table 4-1-3) Composition of the committees of the board of directors

| Committee | Composition | | | Major roles of the committee | Remark |
|--|-------------|------------------|------|---|--------|
| | Title | Classification | Name | | |
| Committee for recommendation of candidates for directors (00 people in total) | Chairperson | Outside director | ○○○ | 1. Establish, inspect and complement the principles of appointing directors 2. Recommend the candidates for the directors to be appointed by the general meeting of shareholders 3. Constantly manage and verify the candidates for directors | |
| | Member | Inside director | ○○○ | | |
| | Member | Outside director | ○○○ | | |
| | ... | Non-executive | ... | | |
| Risk management committee (00 people in total) | Chairperson | Inside director | ○○○ | 1. Establish basic policy and strategy for the risk management 2. Determine the level of risk that a corporate can bear 3. Approve eligible investment limit or permissible loss limit/ratio 4. Legislate and revise risk management regulation 5. Organizational structure and segregation of duties of risk management organization | |
| | Member | Outside director | ○○○ | | |
| | Member | Outside director | ○○○ | | |
| | ... | ... | ... | | |
| Audit committee (00 people in total) | Chairperson | Inside director | ○○○ | 1. Superintend the task of management and board of directors 2. Approve the selection of external auditors 3. Other provisions regulated by the articles of association or bylaws in relation to the audit work | |
| | Member | Outside director | ○○○ | | |
| | Member | Outside director | ○○○ | | |
| | ... | ... | ... | | |
| Remuneration committee (00 people in total) | Chairperson | Inside director | ○○○ | 1. Decision on the remuneration of corporate management and its mode of payment 2. Design and operate the remuneration system of the corporate management and its eligibility evaluation 3. Decision making procedures for remuneration policy and related matters 4. Other related matters to the remuneration system | |
| | Member | Outside director | ○○○ | | |
| | Member | Outside director | ○○○ | | |
| | ... | ... | ... | | |
| Internal transaction committee (00 people in total) | Chairperson | Inside director | ○○○ | 1. Matters related to the internal transaction policies 2. Matters on the enactment and operation procedures of standard for internal transaction | |
| | Member | Outside director | ○○○ | | |

| Committee | Composition | | | Major roles of the committee | Remark |
|-----------|-------------|------------------|------|--|--------|
| | Title | Classification | Name | | |
| | Member | Outside director | ○○○ | management 3. Matters related to the approval of internal transaction | |
| | ... | ... | ... | | |
| ... | ... | ... | ... | 1. ... 2. ... 3. ... | |
| | | | | | |
| | | | | | |
| | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the composition of committee of the board of directors

(Sub-principle 4-②)

- (Table 4-2-1) History of appointments and changes of the directors during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date

| Classi- fication | Name | Date of original appointment | Date of tenure expiration | Date of change | Reason for change* | Employment |
|---------------------|------|------------------------------------|---------------------------------|-------------------|-----------------------|------------|
| Inside director | ○○○ | 2015.3.25 | 2018.3.24 | 2017.12.15 | Resignation | Retirement |
| | ... | | | | | |
| Outside director | ○○○ | 2017.3.26 | 2021.3.25 | 2016.3.26 | Appointment | Employment |
| | ... | | | | | |
| Non- executive | ○○○ | 2016.3.26 | 2018.3.25 | 2018.3.25 | Termination | Retirement |
| | ... | | | | | |

※ Fill in the field of Reason for Change after dividing the status into resignation, dismissal and termination etc.

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the appointments and changes of the directors during the time period between the starting date of a business year that is just prior to the disclosure period and the disclosure report submission date

(Sub-principle 4-③)

- (Table 4-3-1) Informations provided on the candidates for directors during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Date of information submission | Date of general meeting of shareholders | Candidates for directors | | Provided information | Remark |
|--------------------------------|---|--------------------------|------|---|--------|
| | | Classification | Name | | |
| 2018.XX.XX | 2018.XX.XX | Inside | ○○○ | 1. Detailed career and areas of expertise of the candidates 2. Grounds for the recommendation as candidates 3. Confirmation of independence(no conflict of interests) 4. Status of concurrent position, etc. | |
| | | Outside | ○○○ | ... | |
| ... | ... | Outside | ○○○ | ... | |
| | | Non-executive | ○○○ | ... | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the information offering on the candidates for directors

(Sub-principle 5-①)

- ▶ (Table 5-1-1) Relationship status between incumbent outside directors and group-affiliated companies as of the report submission date

| Name | Past employment history | | Transaction history of the recent 3 business years | |
|------|-------------------------|--|--|--|
| | Relevant corporate | Affiliated companies of the relevant corporate | Relevant corporate | Affiliated companies of the relevant corporate |
| 〇〇〇 | N/A | 〇〇 Corporation (2010~2018) | N/A | N/A |
| 〇〇〇 | | | | |
| 〇〇〇 | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the relationship status between outside directors and group-affiliated companies

- ▶ (Table 5-1-2) The tenure of service for each incumbent outside director and the reason of having an outside director, if there is any, who has been working more than 6 years as of the report submission date

| Name | Tenure of service | Reason of having an outside director, if there is any, who has been working more than 6 years |
|------|----------------------|---|
| 〇〇〇 | 3 years and 3 months | |
| 〇〇〇 | | |
| 〇〇〇 | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the tenure of service for each incumbent outside director

(Sub-principle 5-②)

▶ (Table 5-2-1) Status of concurrent position of the outside directors as of the report submission date

| Name (member of audit committee)* | Date of original appointment | Date of tenure expiration | Current office | Status of concurrent office | | | |
|--------------------------------------|------------------------------|---------------------------|---|-----------------------------|---------------------|---|--|
| | | | | Concurrent institution* | Concurrent position | Tenure of service in the concurrent institution | Listed/non-listed institution (concurrent) |
| ○○○ | | | Professor of the department of business administration, ○○ university | (Corp.) ○○○○ | Audit | 2017.3.30. ~ Present | N/A |
| ○○○ (Audit committee member) | | | Lawyer, ○○ law office | | Outside director | 2017.3.30. ~ Present | Listed corporation (KONEX) |
| ○○○ | | | Professor of the department of economics, ○○ university | | | 2017.3.30. ~ Present | Listed corporation (KOSDAQ) |
| ○○○ | | | ... | | | 2017.3.30. ~ Present | Listed corporation (KOSPI) |

※ Mark as "audit committee member" under the name of the outside directors if he/she is the member of the audit committee

※ Concurrent institutions include non profit corporation, foundational juridical person etc.

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with concurrent position of outside directors

- (Table 5-2-2) History of meetings held with outside directors during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Round | Regular /extraordinary | Date of meeting | Number of present outside directors/ total number of outside directors | Agenda | Remark |
|-------|------------------------|-----------------|--|--------|--------|
| 1st | Regular | 2018.XX.XX | 6/7 | | ... |
| 2nd | Extraordinary | 2018.XX.XX | 5/7 | | ... |
| | ... | ... | ... | ... | ... |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the meetings of outside directors

(Sub-principle 7-①)

- (Table 7-1-1) History of the board of directors meetings held during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Round | Regular /extra-ordinary | Date of hosting | Date of agenda notification | Attendance /quota | Agenda | | Approval/rejection |
|-------|-------------------------|-----------------|-----------------------------|-------------------|----------------|--|--------------------|
| | | | | | Classification | Details | |
| 1st | Regular | 2018.4.25 | 2018.4.12 | 3/6 | Reports | Qualifications review report of the candidates for outside directors | Reported |
| | | | | | Resolutions | Management of the candidates for outside directors | Approved |
| | | | | | | ... | Rejected |
| 2nd | Extra-ordinary | | | | | | |
| | | | | | | | |
| ... | ... | | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the meeting of the board of directors

(Sub-principle 7-②)

- (Table 7-2-1) Attendance table of each director during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Classi- fication | Round | 1st | 2nd | 3rd | 4th | 5th | ... | Remark |
|---------------------|--------------------|-----------|----------|----------|----------|----------|-----|----------------------------------|
| | Date of meeting | 2018.4.25 | ... | ... | ... | ... | ... | |
| Inside | ○○○ | Attended | Absent | Absent | Absent | Absent | | |
| | ○○○ | N/A | Attended | Attended | Absent | Absent | | 1 st not appointed |
| | ... | | | | | | | |
| Outside | ○○○ | N/A | Attended | Attended | Attended | N/A | | 5 th dismissed |
| | ○○○ | Absent | Absent | Attended | Attended | N/A | | 5 th resigned |
| | ... | | | | | | | |
| Non- Executive | ○○○ | Absent | Absent | Absent | Attended | Attended | | |
| | ... | | | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the attendance of each director

- (Table 7-2-2) Attendance rate and approval rate of each director in the recent 3 business years

| Name | Classi- fication | Tenure of service | Attendance rate(%) | | | | Approval rate(%) | | | |
|------|---------------------|--------------------------|--------------------|-----------------|------|------|-------------------|----------------|-------|-------|
| | | | Average tenure | Recent 3 years* | | | Average tenure | Recent 3 years | | |
| | | | | 2017 | 2016 | 2015 | | 2017 | 2016 | 2015 |
| ○○○ | Outside | 2012.3.5 ~ present | 90.0 | 95.0 | 85.0 | 90.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| ○○○ | Inside | ... | 90.0 | 95.0 | 90.0 | 85.0 | 95.0 | 100.0 | 90.0 | 95.0 |
| ○○○ | Inside | 2017.3.5 ~ present | 70.0 | 70.0 | - | - | 100.0 | 100.0 | - | - |
| ○○○ | Non- executive | ... | ... | | | | ... | | | |

- ※ Mark the year that does not fall into the tenure of service of the relevant director in the recent 3 years as "-".

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the attendance rate and approval rate of each director

(Sub-principle 8-②)

► (Table 8-2-1) History of the committees of the board of directors held

(Write audit committee under Sub-principle 9-①)

(A) Committee for recommendation of candidates for the member of board of directors

(i) Details of the Meetings held during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Number of meeting | Date of meeting | Attendance /quota | Agenda | | Approval/rejection |
|-------------------|-----------------|-------------------|----------------|--|--------------------|
| | | | Classification | Details | |
| 1st | 2018.XX.XX | 3/6 | Reports | Qualifications review report of the candidates for outside directors | Reported |
| | | | Resolutions | Management of the candidates for outside directors | Approved |
| | | | Resolutions | ... | Rejected |
| 2nd | ... | .../... | | | |
| | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the meetings held

(ii) Attendance rate of each director in the recent 3 business years

| Classification | Name | Tenure of service | Attendance rate(%) | | | |
|----------------|------|--------------------------|--------------------|------------------------|------|------|
| | | | Average tenure | In the recent 3 years* | | |
| | | | | 2017 | 2016 | 2015 |
| Outside | ○○○ | 2012.3.5 ~ present | 90.0 | 95.0 | 85.0 | 90.0 |
| Inside | ○○○ | ... | 90.0 | 95.0 | 90.0 | 85.0 |
| | | | | | | |

※ Mark the year that does not fall into the tenure of service of the relevant director in the recent 3 years as "-".

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with attendance rate of each director

(B) Risk Management Committee

(i) Details of the meetings held during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Round | Date of meeting | Attendance /quota | Agenda | | Approval/ rejection |
|-------|-----------------|-------------------|------------------|---|---------------------|
| | | | Classi- fication | Details | |
| 1st | 2018.XX.XX | 3/6 | Report | Report on operational status of risk management internal standard | Reported |
| | | | Resolution | Revision on the internal standard of risk management | Approved |
| | | | Resolution | ... | Rejected |
| 2nd | ... | .../... | | | |
| | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the meetings held

(ii) Attendance rate of each director in the recent 3 business years

| Name | Classi- fication | Tenure of service | Attendance rate(%) | | | |
|------|------------------|--------------------------|--------------------|------------------------|------|------|
| | | | Average tenure | In the recent 3 years* | | |
| | | | | 2017 | 2016 | 2015 |
| ○○○ | Outside | 2012.3.5 ~ Present | 90.0 | 95.0 | 85.0 | 90.0 |
| ○○○ | Inside | ... | 90.0 | 95.0 | 90.0 | 85.0 |
| | | | | | | |

※ Mark the year which does not fall into the tenure of service of the relevant director in the recent 3 years as "-".

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the attendance rate of each director

(C) Internal Transaction Committee

(i) Details of the meetings held during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

| Round | Date of meeting | Attendance /quota | Agenda | | Approval/rejection |
|-------|-----------------|-------------------|-----------------|---|--------------------|
| | | | Classi-fication | Details | |
| 1st | 2018.XX.X X | 3/6 | Report | Report on operational status of internal transaction standard | Reported |
| | | | Resolution | Revision on the standard of internal transaction | Approved |
| | | | Resolution | ... | Rejected |
| 2nd | ... | .../... | | | |
| | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the meetings held

(ii) Attendance rate of each director in the recent 3 business years

| Classi-fication | Name | Tenure of service | Attendance rate(%) | | | |
|-----------------|------|--------------------------|--------------------|------------------------|------|------|
| | | | Average tenure | In the recent 3 years* | | |
| | | | | 2017 | 2016 | 2015 |
| Outside | ○○○ | 2012.3.5 ~ Present | 90.0 | 95.0 | 85.0 | 90.0 |
| Inside | ○○○ | ... | 90.0 | 95.0 | 90.0 | 85.0 |
| | | | | | | |

※ Mark the year which does not fall into the tenure of service of the relevant director in the recent 3 years as "-".

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the attendance rate of each director

(D) ...

4.Audit Systems

(Sub-principle 9-①)

▶ (Table 9-1-1) Composition of internal auditing bodies

| Composition | | | Career and qualifications related to auditing | Remarks |
|-------------|------------------|------|--|---------|
| Title | Classification | Name | | |
| Chairperson | Inside director | ○○○ | Certified public accountant (acquired in the year of 0000) Audit committee member of company 000 (0000.00.00.~0000.00.00) | |
| Member | Outside director | ○○○ | Doctor of Finance (graduated in the year of 0000) Worked in the department of audit of company 000 (0000.00.00.~0000.00.00) | |
| Member | Outside director | ○○○ | Certified internal auditor (acquired in the year of 0000) | |
| ... | Non-executive | ... | Internal auditors certified by the Korea Listed Companies Association | |
| | ... | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the composition of internal auditing bodies

(Key Principle 9-②)

- (Table 9-2-1) Details of meetings of audit committee, and its attendance rate during the time period between the starting date of a business year to which the disclosure period belongs and the disclosure report submission date

(i) Details of the meetings held

| Round | Date of meeting | Attendance /quota | Agenda | | Approval/ rejection |
|-------|-----------------|-------------------|---------------------|--|---------------------|
| | | | Classi- fication | Details | |
| 1st | 2018.XX. XX | 3/6 | Report | Report on the operational status of the standard of internal transaction | Reported |
| | | | Resolutions | Revision on the standard of the internal transaction | Approved |
| | | | Resolutions | ... | Rejected |
| 2nd | ... | .../... | | | |
| | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the meetings held

(ii) Attendance rate of each director

| Classi- fication | Round | 1st | 2nd | 3rd | 4th | 5th | ... | Remarks |
|---------------------|-------|-----------|-----------|-----------|----------|----------|-----|-------------------------------------|
| | Date | 2018.4.25 | 2018.5.25 | 2018.6.25 | ... | ... | ... | |
| Outside | ○○○ | Attended | Attended | N/A | N/A | N/A | | 2018.5. Termination of tenure |
| | ○○○ | N/A | N/A | Attended | Attended | Attended | | 2018.5. Appointed |
| | ... | | | | | | | |
| Inside | ○○○ | Absent | Attended | Attended | Attended | N/A | | |
| | ○○○ | Absent | Absent | Attended | Attended | N/A | | |
| | ... | | | | | | | |
| ... | ○○○ | Absent | Absent | Absent | Attended | Attended | | |
| | ... | | | | | | | |

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the attendance status of the board of directors

(iii) Attendance table of each director in the recent 3 business years

| Classification | Name | Tenure of service | Attendance rate(%) | | | |
|----------------|------|--------------------------|--------------------|------------------------|------|------|
| | | | Average tenure | In the recent 3 years* | | |
| | | | | 2017 | 2016 | 2015 |
| Outside | ○○○ | 2012.3.5 ~ present | 90.0 | 95.0 | 85.0 | 90.0 |
| Inside | ○○○ | ... | 90.0 | 95.0 | 90.0 | 85.0 |
| | | | | | | |

※ Mark the year which does not fall into the tenure of service of the relevant director in the recent 3 years as "-".

(Other matters to be written)

※ Write the matters to be additionally explained in relevance with the attendance status of each director

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