

Established on	Aug. 1, 1978
Amended on	Mar. 26, 2024

Board of Directors Regulations

Hanwha Aerospace Co., Ltd.

Board of Directors Regulations [March 26, 2024]

CHAPTER. 1 GENERAL PROVISIONS

Article 1 【Purpose】

The purpose of these regulations is to stipulate matters related to the operation of the board of directors.

Article 2 【Application】

Unless otherwise provided by laws or the Articles of Incorporation, matters related to the board of directors shall be governed by these regulations.

Article 3 【Authority】

1. The board of directors deliberates and decides on matters prescribed by laws or the Articles of Incorporation, matters delegated by the general meeting of shareholders, and significant matters regarding the company's basic management policies and business execution.
2. The board of directors supervises the performance of duties by directors.
3. If the board of directors determines that each director is likely to violate laws or the Articles of Incorporation or handle matters in a significantly unfair manner while performing his or her duties, the board of directors may request the director to submit, investigate, and provide explanations of relevant materials.
4. In the case of the preceding paragraph, the board of directors may request that the execution of the relevant duties be suspended or changed.
5. Outside directors may, if necessary for the performance of their duties, seek the assistance of experts at the company's expense.

CHAPTER 2. COMPOSITION

Article 4 【Composition】

The board of directors shall be composed of all directors.

Article 5 【Chairperson】

The chairperson of the board of directors shall be elected by the Board of directors, and if the chairperson is unable to perform his/her duties, the order of succession shall be determined separately by the board of directors.

Article 6 【Attendance of Non-directors】

If deemed necessary by the chairperson, individuals who are not directors may be invited to attend meetings and provide explanations.

CHAPTER. 3 MEETINGS

Article 7 【Types】

1. The board meetings are classified into ordinary and extraordinary board meetings.
2. Ordinary board meetings shall be held on the (fourth) (Wednesday) of (odd-numbered) months. However, if the scheduled date falls on a holiday, the meeting shall be held on the following day. If it is deemed difficult to hold the meeting on the regular date, the chairperson may adjust the meeting date.
3. Extraordinary board meetings may be convened at any time as necessary.

Article 8 【Convener】

The board of directors shall be convened by the chairperson. However, if the chairperson is unable to perform his/her duties, the order of precedence for the chairperson's duties determined by the board of directors in accordance with Article 5 shall apply.

Article 9 【Convening Procedure】

1. To convene a board of directors meeting, the date and time of the meeting shall be set and notified to each director 7 days in advance in writing, electronic document, or orally.
2. The board of directors may hold a meeting at any time without the procedure of paragraph 1 if all directors agree.

Article 10 【Resolution Methods】

1. Resolutions of the board of directors shall be made with the attendance of a majority of directors and a majority of the directors present, unless otherwise stipulated by applicable laws or the Articles of Incorporation. However, if necessary, the board of directors may conduct a meeting using wired or wireless communication equipment within the limits permitted by the relevant laws and regulations.
2. Directors with a special interest in a resolution may not exercise their voting rights on that matter.
3. Directors who are disqualified from voting under the preceding paragraph shall not be included in the count of voting members.

Article 11 【Maintenance of Order】

The chairperson of the board of directors may limit the speaking time and number of times a director may speak if deemed necessary to facilitate the smooth progress of the meeting.

CHAPTER 4. MATTERS TO BE SUBMITTED

Article 12 【Matters to be Submitted】

The matters to be submitted to the board of directors shall be as follows:

1. Matters Related to General Meetings of Shareholders

- 1) Convening of general meetings of shareholders
- 2) Approval of financial statements
- 3) Approval of business reports
- 4) Amendments to the Articles of Incorporation
- 5) Capital reduction
- 6) Dissolution, merger, division merger, continuation of the company
- 7) Transfer of all or a significant part of the company's business and acquisition of all or a part of another company's business that has a significant impact on the company's business
- 8) Lease or management delegation of all business, contracts to share all profits and losses of business with others, or other similar contracts, or conclusion, amendment or termination of such contracts
- 9) Appointment and dismissal of directors and the audit committee
- 10) Issuance of shares below par value
- 11) Reduction of directors' liability to the company
- 12) Decision on cash, stock, and in-kind dividends
- 13) Granting of stock options
- 14) Remuneration of directors
- 15) Approval of transactions with the company's largest shareholder (including their related parties) and special related parties, and reporting to the general meeting of shareholders
- 16) Reduction of legal reserves
- 17) Other agenda items to be submitted to the general meeting of shareholders

2. Matters related to management

- 1) Appointment and dismissal of the CEO
- 2) Decisions regarding co-CEOs
- 3) Establishment, operation, and dissolution of committees within the board of directors
- 4) Appointment and dismissal of committee members within the board of directors
- 5) Appointment and dismissal of managers
- 6) Appointment and dismissal of compliance officers, enactment, amendment, and repeal of compliance control standards
- 7) Reporting on the effectiveness evaluation of compliance and anti-corruption management systems
- 8) Establishment, relocation or closure of branches, factories, offices and workplaces
- 9) Decisions on simple merger, simple division merger, small-scale merger and small-scale division merger
- 10) Reporting on absorption mergers or new establishment mergers
- 11) Other significant matters related to management

3. Matters related to finance

- 1) Issuance of new shares
- 2) Issuance of corporate bonds or delegation of bond issuance to the CEO
- 3) Matters concerning capitalization of reserves
- 4) Matters concerning acquisition and disposal of treasury shares
- 5) Cancellation of treasury shares

- 6) Issuance of convertible bonds and bonds with warrants
 - 7) Decisions on significant investments
 - 8) Acquisition and disposal of significant assets
 - 9) Establishment or closure of major facilities
 - 10) Large-scale financing and guarantee activities
 - 11) Matters concerning large-scale internal trading as stipulated in relevant laws and regulations
 - 12) Matters concerning the establishment/revision of internal accounting control regulations
 - 13) Other significant matters related to finance
4. Matters related to directors, etc.
- 1) Approval of transactions between directors and the company
 - 2) Approval of directors' use of company's opportunities
 - 3) Concurrent appointments of directors in other companies
5. Other matters
- 1) Matters related to filing and settlement of significant lawsuits
 - 2) Matters related to cancellation of granted stock options
 - 3) Matters related to donations of one billion won or more
 - 4) Other matters specified by laws or the Articles of Incorporation, matters delegated by the general meeting of shareholders, and matters deemed necessary by the CEO

CHAPTER 5. DELEGATION

Article 13 【Delegation】

Matters requiring board resolution, except for those prescribed by laws or the Articles of Incorporation, may be delegated to the CEO or committees by a board resolution.

Article 14 【Committee】

1. The board of directors may establish the following committees within the board of directors by its resolution:
 - 1) Executive Committee
 - 2) Audit Committee
 - 3) Outside Director Candidate Recommendation Committee
 - 4) Other committees deemed necessary by the board
2. The committee shall notify each director of the matters resolved, and each director may request the chairperson of the board of directors to convene a board meeting within two days from the date of receiving the notification, and the board of directors may re-resolve the matters resolved by the committee.
3. If directors do not request a board meeting within the period specified in the preceding paragraph after receiving notice of the committee's resolution, the committee's resolution cannot be re-resolved by the board of directors.

CHAPTER 6. OTHER MATTERS

Article 15 【Minutes of Meetings】

The minutes of the board meeting shall record the agenda items, the summary of proceedings, the results, the names of those who opposed and their reasons for opposition. The minutes shall bear the names and seals or signatures of the chairperson and attending directors and be kept at the head office.

Article 16 【Secretary】

1. The board of directors may have a separate secretary.
2. The secretary shall be under the direction and supervision of the chairperson and manage the overall affairs of the board of directors.

Article 17 【Amendment and Repeal of Regulations】

Amendment and Repeal to these regulations shall be determined by a resolution of the board of directors.

ADDENDUM

Addendum (August 1, 1978)

Article 1 These regulations shall be enacted and come into effect on August 1, 1978.

Addendum (August 1, 1997)

Article 1 These regulations shall be amended and come into effect on August 1, 1997.

Addendum (May 7, 1998)

Article 1 These regulations shall be amended and come into effect on May 7, 1998.

Addendum (April 20, 2000)

Article 1 These regulations shall be amended and come into effect on April 20, 2000.

Addendum (December 11, 2012)

Article 1 These regulations shall be amended and come into effect on December 11, 2012.

Addendum (February 19, 2016)

Article 1 These regulations shall be amended and come into effect on February 19, 2016.

Addendum (September 22, 2016)

Article 1 These regulations shall be amended and come into effect on September 22, 2016.

Addendum (April 21, 2017)

Article 1 These regulations shall be amended and come into effect on April 21, 2017.

Addendum (March 25, 2020)

Article 1 These regulations shall be amended and come into effect on March 25, 2020.

Addendum (December 21, 2020)

Article 1 These regulations shall be amended and come into effect on December 21, 2020.

Addendum (November 17, 2021)

Article 1 These regulations shall be amended and come into effect on November 17, 2021.

Addendum (March 26, 2024)

Article 1 These regulations shall be amended and come into effect on March 26, 2024.