

Established on	Jul. 22, 2014
Amended on	Mar. 26, 2024

# Internal Transactions Committee Regulations

Hanwha Aerospace Co., Ltd.

# **Internal Transactions Committee Regulations**

## **[March 26, 2024]**

### **Article 1 【Purpose】**

The purpose of these regulations is to establish an internal transaction committee within the board of directors pursuant to Article 32, Paragraph 1, Subparagraph 4 of the Articles of Incorporation to enhance the transparency of corporate management by establishing a fair trade voluntary compliance system, and to preliminarily review large-scale internal trading between affiliates that require a resolution by the board of directors under the Monopoly Regulation and Fair Trade Act, and to establish necessary matters regarding its composition, operation, authority, and obligations.

## **CHAPTER 2. COMPOSITION**

### **Article 2 【Composition】**

1. The committee members shall be composed of three or more directors.  
(However, all members shall be outside directors.)
2. The term of office of a member is the same as that of the director, and if the member loses his/her qualification as a director due to expiration of the term or other reasons, the member automatically loses his/her qualification as a member.

### **Article 3 【Chairperson】**

1. The chairperson shall be appointed by a resolution of the committee.
2. The chairperson shall represent the committee and execute the committee's duties.
3. In the event that the chairperson is unable to perform his/her duties, a member designated by the committee shall act on his/her behalf.

### **Article 4 【Dismissal】**

The dismissal of a member may be made by a resolution of the board of directors of at least two-thirds of the total number of directors, and the board of directors shall fill a vacancy in the committee without delay due to dismissal, expiration of the term of office of a director, or personal reasons. However, if a new director needs to be appointed, the new director shall be appointed at the first general shareholders' meeting held from the date the vacancy occurred, and the new member shall be appointed at the board meeting held thereafter.

## **CHAPTER 3. OPERATION**

### **Article 5 【Committee】**

The committee shall be convened at least once in each of the first and second half of the year.

#### Article 6 【Convening Procedures】

1. The committee shall be convened by the chairperson.
2. To convene the committee, the date and place of the meeting shall be set and notified to each committee member at least 7 days in advance by document, electronic document, facsimile transmission, or other means that can confirm whether it has been sent or received.

#### Article 7 【Resolution Methods】

1. Resolutions of the committee shall be made with the attendance of a majority of the members and the approval of a majority of the members present.
2. The committee may allow all or some of its members to participate in the resolution by means of remote communication that allows all members to simultaneously transmit and receive voices without having to attend the meeting in person. In this case, the member shall be deemed to have attended the committee in person.

## CHAPTER 4. AUTHORITY AND OBLIGATIONS

#### Article 8 【Authority】

The authority of the committee shall be as follows:

1. Right to Hear Reports on Internal Transactions and Right to Pre-Deliberate and Resolve

The committee may receive reports on the status of internal transactions with affiliated companies.

For transactions subject to "Board of Directors Resolutions and Disclosures for Large-Scale Internal Trading," transactions of 10 billion won or more require prior deliberation.

Transactions below 10 billion won deemed significant by the Secretary of the Internal Transactions Committee also require prior deliberation and resolution.

2. Right to Order Investigations on Internal Transactions

The committee may at any time order the secretary to investigate the details of internal transactions.

3. Right to Recommend Corrective Actions on Internal Transactions

The committee may recommend corrective measures to the board of directors for internal transactions that seriously violate laws and regulations and the company's regulations.

4. The committee may seek expert assistance at the company's expense.

#### Article 9 【Obligations】

The obligations of the committee are as follows:

1. Duty of Care

The members of the committee shall perform their duties with the care of a good manager.

2. Obligation to investigate and report to the board of directors

The committee shall receive reports on the status of internal transactions from the secretary of the internal transactions committee at least semi-annually and deliberate on them. If the company has engaged in internal transactions that seriously violate laws or regulations, it shall report this to the board of directors.

### 3. Obligation to Prepare Minutes

The committee shall prepare minutes of its meetings. The minutes shall include the details of deliberations and their results, and shall bear the seal or signature of all the participating members.

## CHAPTER 5. OTHER MATTERS

### Article 10 【Reporting Obligation】

If there is any resolution, the committee shall report it to the first board of directors meeting held from the date of resolution.

### Article 11 【Secretary】

1. The secretary of the committee shall be the head of the department in charge of the board of directors' affairs.
2. The secretary shall be in charge of the committee's affairs under the direction of the chairperson.

### Article 12 【Expenses】

The company shall bear the expenses necessary for the committee's meetings and other operations.

### Article 13 【Amendment and Repeal of Regulations】

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

### Article 14 【Scope of Application】

Matters not specified in these regulations related to internal transactions shall be governed by the regulations of the board of directors and the executive committee.

## ADDENDUM

### Addendum (July 22, 2014)

Article 1 This regulation shall be enacted and come into effect on July 22, 2014.

### Addendum (September 21, 2015)

Article 1 These regulations shall be amended and come into effect on September 21, 2015.

### Addendum (November 29, 2018)

Article 1 These regulations shall be amended and come into effect on November 29, 2018.

Addendum (September 26, 2023)

Article 1 These regulations shall be amended and come into effect on September 26, 2023.

Addendum (December 21, 2023)

Article 1 These regulations shall be amended and come into effect on December 21, 2023.

Article 2 The provisions of Article 8, Paragraph 1 shall apply starting January 1, 2024.

Addendum (March 26, 2024)

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