



February 16<sup>th</sup>, 2024

## **KT&G CEO Candidate Recommendation Committee finalizes the second shortlist of 4 candidates for the next CEO position**

The CEO Candidate Recommendation Committee of KT&G Corporation (“KT&G” or the “Company”) convened a meeting on February 16<sup>th</sup>, and finalized the selection of 4 candidates to be included in the second shortlist for the next CEO position. The 4 candidates (in alphabetical order) are Chul-ho Her (CEO of Korea Ginseng Corporation), Gye-hyun Kwon (former Vice President of Samsung Electronics), Kyung-man Bang (Senior Vice President of KT&G), and Seok-joo Lee (former CEO of AK Holdings).

The CEO Candidate Recommendation Committee has undergone a rigorous process to verify whether the qualifications and competencies of the 8 candidates on the first shortlist (4 external and 4 internal candidates) align with the 5 key competency criteria required for a CEO, which include management expertise, global expertise, strategic thinking skills, stakeholder communications, and universal morality & ethical awareness. The committee then engaged in in-depth discussions to finalize the second shortlist.

The committee plans to conduct intensive face-to-face interviews with each candidate on the second shortlist and name the final candidate next week, following the committee resolution. The CEO will be officially appointed at the Annual General Meeting of Shareholders in late March.

Earlier, on December 28<sup>th</sup>, 2023, KT&G Board of Directors formed the Governance Committee to initiate the process for appointing the next CEO. Since then, the Governance Committee has faithfully carried out the 3 stages of CEO appointment process, which include Governance Committee-CEO Candidate Recommendation Committee-Approval at the AGM.

The Governance Committee implemented open recruitment as one of the channels to form the CEO candidate pool and thoroughly assessed each candidate over a series of 8 meetings, ensuring advanced transparency and fairness of the CEO appointment process. After taking into account the impartial and objective opinions from the advisory panel composed of external experts, the Governance Committee selected the first shortlist and recommended the list to the CEO Candidate Recommendation Committee on January 31<sup>st</sup>, 2024.

“The CEO Candidate Recommendation Committee is fully committed to ensuring the transparency, fairness, and objectivity throughout the candidate assessment process, adhering to the principle of maximizing the interests of all shareholders and the future value of the company,” said Myung-chul Kim, Chairman of the KT&G CEO Candidate Recommendation Committee. “After conducting in-depth interviews with each candidate, we will determine and announce the most suitable candidate for the next CEO position, possessing the leadership qualities necessary to drive KT&G to greater heights of a global leading company,” the Chairman added.