

Agenda of Annual General Meeting of Shareholders for the 35th Fiscal Year

Date: Tuesday, March 29th, 2022, 10:00 a.m. (Korea Standard Time)

Place: Vision Hall, KT&G Human Resources Development Institute,
71, Beotkkot-Gil, Daedeok-gu, Daejeon-si, Republic of Korea

When an emergency occurs due to force majeure, such as COVID 19, the right to change time, location and other executions of Annual General Meeting will be delegated to the President, CEO, and if the matter happens, we will disclose the information

KT&G Corporation

Matters for Approval

Agenda No.1 Approval of Financial Statements and Statement of Appropriation of Retained Earnings for the 35th Fiscal Year

Agenda No.2 Partial Amendments of the Articles of Incorporation

Agenda No.3 Appointment of Outside Directors (2 Nominees)

3-1. Appointment of Outside Director Kwan-soo, Shon

3-2. Appointment of Outside Director Jee-hee, Lee

Agenda No.4 Appointment of the Member of the Audit Committee (Kwan-soo, Shon)

Agenda No.5 Approval of the Ceiling Amount of Directors' Remuneration

Agenda No. 1

Approval of Financial Statements and Statement of Appropriation of Retained Earnings for the 35th Fiscal Year

A. Consolidated Financial Statements

B. Separate Financial Statements

C. Statement of Appropriation of Retained Earnings

Pursuant to Article 449 of the Korean Commercial Act and Article 41 of the Articles of Incorporation of the Company, the Consolidated and Separate Financial Statements and Statement of Appropriation of Retained Earnings for the 35th Fiscal Year (2021. 1. 1 ~ 2021. 12. 31) are required to be approved.

- ※ Notes to the Consolidated and Separate Financial Statements : refer to electronic disclosure filings
- ※ The Financial Statements below have not yet been audited by the external auditor. In case any minor amendments are made to the Financial Statements below during the course of the external audit, the revised Financial Statements may be submitted to the General Meeting of Shareholders by the President. For further details, please refer to the disclosure on “Submission of Audit Report”.

A. Consolidated Financial Statements

1. Consolidated Statements of Financial Position

35th Fiscal Year(CY) : As of December 31, 2021

34th Fiscal Year(PY) : As of December 31, 2020

□ Assets

KT&G Corporation and Subsidiaries

(Unit: 100 million KRW, %)

Chart of Accounts	Classification	35 th FY (CY)	34 th FY (PY)	YOY (amt)	YOY (%)
1. Current Assets		62,559	67,504	-4,945	-7.3
1) Cash and cash equivalents		9,466	12,536	-3,070	-24.5
2) Other financial assets		4,571	4,077	494	12.1
3) Financial assets measured at FVPL		9,654	9,144	510	5.6
4) Trade and other receivables		10,127	12,151	-2,024	-16.7
5) Derivative assets		6	127	-121	-95.3
6) Inventories		23,754	25,350	-1,596	-6.3
7) Refund assets and others		18	11	7	63.6
8) Accrued tobacco excise and other taxes		3,249	2,716	533	19.6
9) Advance payments		980	965	15	1.6
10) Prepaid expenses		533	400	133	33.3
11) Assets held for sale		201	27	174	644.4
2. Non-current assets		53,814	47,180	6,634	14.1
1) Long-term other financial assets		90	101	-11	-10.9
2) Long-term deposits in Escrow Fund		12,505	9,098	3,407	37.4
3) Long-term financial assets measured at FVPL		3,048	2,536	512	20.2
4) Long-term trade and other receivables		948	974	-26	-2.7
5) Long-term financial assets measured at FVOCI		2,284	2,395	-111	-4.6
6) Investments in associates and joint ventures		2,430	1,322	1,108	83.8
7) Property, plant and equipment		17,410	17,184	226	1.3
8) Intangible assets		1,457	1,341	116	8.7
9) Investment properties		11,510	10,302	1,208	11.7
10) Right-of-use assets		364	491	-127	-25.9
11) Long-term advanced payments		1,046	831	215	25.9
12) Long-term prepaid expenses		85	96	-11	-11.5
13) Deferred income tax assets		526	509	17	3.3
14) Net defined benefit assets		111	-	111	-
Total assets		116,373	114,684	1,689	1.5

□ **Liabilities·Equity**

KT&G Corporation and Subsidiaries

(Unit: 100 million KRW, %)

Chart of Accounts	Classification	35th FY (CY)	34th FY (PY)	YOY (amt)	YOY (%)
Total Liabilities		24,270	23,768	502	2.1
1. Current Liabilities		20,625	19,915	710	3.6
1) Short-term borrowings		754	173	581	335.8
2) Current portion of long-term borrowings		22	375	-353	-94.1
3) Trade and other payables		9,711	9,692	19	0.2
4) Current lease liabilities		172	199	-27	-13.6
5) Derivative liabilities		9	1	8	800.0
6) Advance receipts		219	1,008	-789	-78.3
7) Current refund liabilities and provisions		261	275	-14	-5.1
8) Current income tax liabilities		2,350	2,346	4	0.2
9) Tobacco excise and other taxes payable		7,127	5,846	1,281	21.9
2. Non-current liabilities		3,645	3,853	-208	-5.4
1) Long-term borrowings		532	535	-3	-0.6
2) Long-term trade and other payables		574	495	79	16.0
3) Long-term lease liabilities		194	258	-64	-24.8
4) Long-term advance receipts		51	82	-31	-37.8
5) Net defined benefit liabilities		577	1,129	-552	-48.9
6) Long-term refund liabilities and provisions		53	32	21	65.6
7) Deferred income tax liabilities		1,481	1,306	175	13.4
8) Non-controlling interests liabilities		183	16	167	1,043.8
Total Equity		92,103	90,916	1,187	1.3
1. Share capital		9,550	9,550	-	-
2. Other capital surplus		45	45	-	-
3. Treasury shares		-8,800	-5,316	-3,484	65.5
4. Gain on sale of treasury shares		5,289	5,289	-	-
5. Reserves		64,902	59,776	5,126	8.6
6. Retained Earnings		20,616	21,025	-409	-1.9
7. Non-controlling interest		501	547	-46	-8.4
Total Liabilities·Equity		116,373	114,684	1,689	1.5

2. Consolidated Statements of Comprehensive Income

35th Fiscal Year(CY) : From January 1, 2021 to December 31, 2021

34th Fiscal Year(PY) : From January 1, 2020 to December 31, 2020

KT&G Corporation and Subsidiaries

(Unit: 100 million KRW, %)

Chart of Accounts	35 th FY (CY)	34 th FY (PY)	YOY (amt)	YOY (%)
Continuing Operations				
I. Sales	52,284	50,553	1,731	3.4
II. Cost of Sales	23,502	21,271	2,231	10.5
III. Gross Profit(I-II)	28,782	29,282	-500	-1.7
IV. Selling, general & administrative expense	15,398	14,550	848	5.8
V. Operating Profit(III-IV)	13,384	14,732	-1,348	-9.2
VI. Other income and expense(1-2)	434	230	204	88.7
1) Other income	1,884	2,894	-1,010	-34.9
2) Other expense	1,450	2,664	-1,214	-45.6
VII. Finance income and costs(1-2)	469	1,046	-577	-55.2
1) Finance income	788	1,177	-389	-33.1
2) Finance costs	319	131	188	143.5
VIII. Share of net profit(loss) of associates and joint ventures	109	41	68	165.9
IX. Profit before income tax	14,396	16,049	-1,653	-10.3
X. Income tax expense	4,140	4,385	-245	-5.6
XI-I. Profit from continuing operations	10,255	11,664	-1,409	-12.1
XI-II. Profit(loss) from discontinued operations	-523	52	-575	Transition to losses
XI-III. Profit for the year	9,732	11,716	-1,984	-16.9
Attributable to owners of Parent Company	9,787	11,717	-1,930	-16.5
Continuing operations	10,310	11,665	-1,355	-11.6
Discontinued operations	-523	52	-575	Transition to losses
Attributable to non-controlling interests	-55	-1	-54	Increase in losses
XII. Other comprehensive income	895	-498	1,393	Transition to profits
XIII-I. Total comprehensive income for continued operations	11,145	11,183	-38	-0.3
XIII-II. Total comprehensive income for discontinued operations	-518	35	-553	Transition to losses
XIII-III. Total comprehensive income	10,627	11,218	-591	-5.3
Attributable to owners of Parent Company	10,673	11,225	-552	-4.9
Continuing operations	11,191	11,190	1	0.0
Discontinued operations	-518	35	-553	Transition to losses
Non-controlling interests	-46	-7	-39	Increase in losses
XIV. Earnings per share(KRW/share)	7,910	9,320	-1,410	-15.1
Continued operations	8,333	9,278	-945	-10.2
Discontinued operations	-423	42	-465	-1,107.1

3. Consolidated Statement of Changes in Equity

KT&G Corporation and Subsidiaries

(Unit: 100 million KRW)

Classification	Share capital	Other capital surplus	Treasury shares	Gains on sale of treasury shares	Reserve	Retained earnings	Owners of the parent	Non-controlling interest	Total equity
2020. 01. 01	9,550	45	-3,188	5,289	56,800	18,346	86,842	554	87,396
Total comprehensive income									
Profit or loss for the period	-	-	-	-	-	11,717	11,717	-1	11,716
Other comprehensive income or loss for the period	-	-	-	-	-337	-155	-492	-6	-498
Total comprehensive income	-	-	-	-	-337	11,562	11,225	-7	11,218
Transactions with owners of the Parent company									
Dividends	-	-	-	-	-	-5,570	-5,570	-	-5,570
Transfer to other reserve	-	-	-	-	3,313	-3,313	-	-	-
Acquisition of treasury shares	-	-	-2,128	-	-	-	-2,128	-	-2,128
Total transactions with owners of the Parent Company	-	-	-2,128	-	3,313	-8,883	-7,698	-	-7,698
2020. 12. 31	9,550	45	-5,316	5,289	59,776	21,025	90,369	547	90,916

Classification	Share capital	Other capital surplus	Treasury shares	Gains on sale of treasury shares	Reserve	Retained earnings	Owners of the parent	Non-controlling interest	Total equity
2021. 01. 01	9,550	45	-5,316	5,289	59,776	21,025	90,369	547	90,916
Total comprehensive income									
Profit or loss for the period	-	-	-	-	-	9,787	9,787	-55	9,732
Other comprehensive income or loss for the period	-	-	-	-	480	406	886	9	895
Total comprehensive income	-	-	-	-	480	10,193	10,673	-46	10,627
Transactions with owners of the Parent company									
Dividends	-	-	-	-	-	-5,956	-5,956	-	-5,956
Transfer to other reserve	-	-	-	-	4,646	-4,646	-	-	-
Acquisition of treasury shares	-	-	-3,484	-	-	-	-3,484	-	-3,484
Total transactions with owners of the Parent Company	-	-	-3,484	-	4,646	-10,602	-9,440	-	-9,440
2021. 12. 31	9,550	45	-8,800	5,289	64,902	20,616	91,602	501	92,103

4. Consolidated Statements of Cash Flows

KT&G Corporation and Subsidiaries

(Unit: 100 million KRW)

Classification	35 th FY (CY)	34 th FY (PY)
I. Cash flows from operating activities	13,664	12,617
1. Profit for the period	9,732	11,716
2. Adjustments	6,372	5,618
Income tax expense	4,144	4,405
Finance costs	322	134
Finance income	-788	-1,178
Depreciation and amortization expenses	2,172	2,033
Retirement benefits	583	535
Loss on foreign currency translation	334	1,722
Gain on foreign currency translation	-1,298	-100
Other expenses etc.	903	-1,933
3. Changes in working capital	1,688	-478
4. Payment of income taxes	-4,128	-4,239
II. Cash flows from investing activities	-7,804	-859
Interest received	110	199
Dividends received	289	261
Disposal of tangible and intangible assets	55	75
Disposal of investment properties	4	44
Acquisition of tangible and intangible assets	-4,721	-4,392
Acquisition of investment properties	-437	-357
Increase/decrease in investments in associates and joint ventures	-628	-803
Increase/decrease in financial assets measured at FVPL	-1,010	3,596
Increase/decrease in financial assets measured at FVOCI	159	-1
Increase/decrease in long-term deposits in MSA Escrow Fund	-30	302
Increase/decrease in guarantee deposits and loans	-7	-211
Increase/decrease in other financial assets	-1,588	428
III. Cash flows from financing activities	-9,126	-8,089
Dividends paid	-5,956	-5,570
Interest paid	-34	-34
Repayment of lease liabilities	-233	-212
Acquisition of treasury shares	-3,484	-2,128
Increase/decrease in borrowings etc.	551	-145
Increase/decrease in liabilities for non-controlling interests	30	-
IV. Net increase/decrease in cash and cash equivalents (I+II+III)	-3,266	3,669
V. Cash and cash equivalents at the beginning of the period	12,536	8,913
Effect of exchange rate fluctuation on cash and cash equivalents	196	-46
VI. Cash and cash equivalents at the end of the period	9,466	12,536

B. Separate Financial Statements

1. Separate statements of Financial Position

35th Fiscal Year(CY) : As of December 31, 2021

34th Fiscal Year(PY) : As of December 31, 2020

□ Assets

KT&G Corporation

(Unit: 100 million KRW, %)

Chart of Accounts	Classification	35 th FY (CY)	34 th FY (PY)	YOY (amt)	YOY (%)
1. Current Assets		40,090	47,082	-6,992	-14.9
1) Cash and cash equivalents		5,906	10,761	-4,855	-45.1
2) Other financial assets		3,322	3,306	16	0.5
3) Financial assets measured at FVPL		9,654	9,144	510	5.6
4) Trade and other receivables		7,888	10,498	-2,610	-24.9
5) Derivative assets		6	127	-121	-95.3
6) Inventories		9,249	9,933	-684	-6.9
7) Refund assets and others		15	-	15	-
8) Accrued tobacco excise and other taxes		3,076	2,377	699	29.4
9) Advance payments		717	739	-22	-3.0
10) Prepaid expenses		108	175	-67	-38.3
11) Assets held for sale		149	22	127	577.3
2. Non-current assets		57,727	51,713	6,014	11.6
1) Long-term other financial assets		87	85	2	2.4
2) Long-term deposits in Escrow Fund		12,505	9,098	3,407	37.4
3) Long-term financial assets measured at FVPL		2,985	2,486	499	20.1
4) Long-term trade and other receivables		1,277	1,212	65	5.4
5) Long-term financial assets measured at FVOCI		2,032	2,144	-112	-5.2
6) Investments in associates and joint ventures		2,380	1,339	1,041	77.7
7) Investments in subsidiaries		12,014	11,543	471	4.1
8) Property, plant and equipment		11,290	11,396	-106	-0.9
9) Intangible assets		974	663	311	46.9
10) Investment properties		11,285	11,012	273	2.5
11) Right-of-use assets		226	290	-64	-22.1
12) Long-term prepaid expenses		70	86	-16	-18.6
13) Deferred income tax assets		492	359	133	37
14) Net defined benefit assets		110	-	110	-
Total assets		97,817	98,795	-978	-1.0

□ **Liabilities·Equity**

KT&G Corporation

(Unit: 100 million KRW, %)

Chart of Accounts	Classification	35th FY (CY)	34th FY (PY)	YOY (amt)	YOY (%)
Total Liabilities		17,802	18,255	-453	-2.5
1. Current Liabilities		17,140	17,180	-40	-0.2
1) Short-term borrowings		6	8	-2	-25.0
2) Trade and other payables		7,764	8,112	-348	-4.3
3) Current lease liabilities		73	86	-13	-15.1
4) Derivative liabilities		9	1	8	800.0
5) Advance receipts		131	962	-831	-86.4
6) Current refund liabilities and provisions		99	153	-54	-35.3
7) Current income tax liabilities		2,093	2,114	-21	-1.0
8) Tobacco excise and other taxes payable		6,965	5,744	1,221	21.3
2. Non-current liabilities		662	1,075	-413	-38.4
1) Long-term trade and other payables		459	415	44	10.6
2) Long-term lease liabilities		149	203	-54	-26.6
3) Long-term advance receipts		41	66	-25	-37.9
4) Net defined benefit liabilities		-	382	-382	-100.0
5) Long-term refund liabilities and provisions		13	9	4	44.4
Total Equity		80,015	80,540	-525	-0.7
1. Share capital		9,550	9,550	-	-
2. Other capital surplus		36	36	-	-
3. Treasury shares		-8,800	-5,316	-3,484	65.5
4. Gain on sale of treasury shares		5,289	5,289	-	-
5. Reserves		65,155	60,379	4,776	7.9
6. Retained Earnings		8,785	10,602	-1,817	-17.1
Total Liabilities·Equity		97,817	98,795	-978	-1.0

2. Separate Statements of Comprehensive Income

35th Fiscal Year(CY) : From January 1, 2021 to December 31, 2021

34th Fiscal Year(PY) : From January 1, 2020 to December 31, 2020

KT&G Corporation

(Unit: 100 million KRW, %)

Chart of Accounts	35 th FY (CY)	34 th FY (PY)	YOY (amt)	YOY (%)
I. Sales	34,905	34,354	551	1.6
- Manufacture of tobacco	27,521	26,907	614	2.3
- Real estate	6,472	6,546	-74	-1.1
- Exports of leaf tobacco and others	912	901	11	1.2
II. Cost of sales	15,903	14,091	1,812	12.9
- Manufacture of tobacco	11,903	10,381	1,522	14.7
- Real estate	3,277	3,098	179	5.8
- Exports of leaf tobacco and others	723	612	111	18.1
III. Gross Profit(I-II)	19,002	20,263	-1,261	-6.2
- Manufacture of tobacco	15,618	16,526	-908	-5.5
- Real estate	3,195	3,448	-253	-7.3
- Exports of leaf tobacco and others	189	289	-100	-34.6
IV. Selling, general and administrative expenses	8,168	6,893	1,275	18.5
V. Operating Profit(III-IV)	10,834	13,370	-2,536	-19.0
VI. Other income and expense(1-2)	634	207	427	206.3
1) Other income	1,682	2,764	-1,082	-39.1
2) Other expense	1,048	2,557	-1,509	-59.0
VII. Finance income and costs(1-2)	560	1,078	-518	-48.1
1) Finance income	712	1,168	-456	-39.0
2) Finance costs	152	90	62	68.9
VIII. Profit before income tax	12,028	14,655	-2,627	-17.9
IX. Income tax expense	3,484	3,902	-418	-10.7
X. Profit for the year	8,544	10,753	-2,209	-20.5
XI. Other comprehensive income or loss	371	-317	688	Transition to profits
XII. Total comprehensive income or loss	8,915	10,436	-1,521	-14.6
XIII. Earnings per share(KRW/share)	6,905	8,553	-1,648	-19.3

3. Separate Statement of Changes in Equity

KT&G Corporation

(Unit: 100 million KRW)

Classification	Share capital	Other capital surplus	Treasury shares	Gains on sale of treasury shares	Reserve	Retained earnings	Total equity
2020. 01. 01	9,550	36	-3,188	5,289	57,232	8,883	77,802
Total comprehensive income							
Profit or loss for the period	-	-	-	-	-	10,753	10,753
Other comprehensive income or loss for the period	-	-	-	-	-166	-151	-317
Total comprehensive income	-	-	-	-	-166	10,602	10,436
Transactions with owners of the Parent company							
Dividends	-	-	-	-	-	-5,570	-5,570
Transfer to other reserve	-	-	-	-	3,313	-3,313	-
Acquisition of treasury shares	-	-	-2,128	-	-	-	-2,128
Total transactions with owners of the Parent Company	-	-	-2,128	-	3,313	-8,883	-7,698
2020. 12. 31	9,550	36	-5,316	5,289	60,379	10,602	80,540

Classification	Share capital	Other capital surplus	Treasury shares	Gains on sale of treasury shares	Reserve	Retained earnings	Total equity
2021. 01. 01	9,550	36	-5,316	5,289	60,379	10,602	80,540
Total comprehensive income							
Profit or loss for the period	-	-	-	-	-	8,544	8,544
Other comprehensive income or loss for the period	-	-	-	-	130	241	371
Total comprehensive income	-	-	-	-	130	8,785	8,915
Transactions with owners of the Parent company							
Dividends	-	-	-	-	-	-5,956	-5,956
Transfer to other reserve	-	-	-	-	4,646	-4,646	-
Acquisition of treasury shares	-	-	-3,484	-	-	-	-3,484
Total transactions with owners of the Parent Company	-	-	-3,484	-	4,646	-10,602	-9,440
2021. 12. 31	9,550	36	-8,800	5,289	65,155	8,785	80,015

4. Separate Statements of Cash Flows

KT&G Corporation

(Unit: 100 million KRW)

Classification	35 th FY (CY)	34 th FY (PY)
I. Cash flows from operating activities	11,037	11,861
1. Profit for the period	8,544	10,753
2. Adjustments	4,958	4,155
Income tax expense	3,484	3,902
Finance costs	152	90
Finance income	-712	-1,168
Depreciation and amortization expenses	1,414	1,309
Retirement benefits	349	319
Loss on foreign currency translation	7	1,543
Gain on foreign currency translation	-1,192	-8
Other expenses etc.	1,456	-1,832
3. Changes in working capital	1,314	489
4. Payment of income taxes	-3,779	-3,536
II. Cash flows from investing activities	-6,351	133
Interest received	61	162
Dividends received	287	261
Disposal of tangible and intangible assets	81	51
Disposal of investment properties	4	44
Disposal of assets held for sale	6	1,452
Acquisition of tangible and intangible assets	-1,744	-1,913
Acquisition of investment properties	-242	-862
Acquisition of assets held for sale	-	-33
Increase/decrease in investments in associates and joint ventures	-798	-803
Acquisition of investments in subsidiaries	-704	-200
Increase/decrease in financial assets measured at FVPL	-1,002	3,618
Increase/decrease in financial assets measured at FVOCI	129	31
Increase/decrease in long-term deposits in MSA Escrow Fund	-2,486	-1,929
Increase/decrease in guarantee deposits and loans	75	-156
Increase/decrease in other financial assets	-18	410
III. Cash flows from financing activities	-9,542	-7,785
Dividends paid	-5,956	-5,570
Interest paid	-7	-7
Repayment of lease liabilities	-95	-80
Acquisition of treasury shares	-3,484	-2,128
IV. Net increase/decrease in cash and cash equivalents (I+II+III)	-4,856	4,209
V. Cash and cash equivalents at the beginning of the period	10,761	6,568
Effect of exchange rate fluctuation on cash and cash equivalents	1	-16
VI. Cash and cash equivalents at the end of the period	5,906	10,761

C. Statement of Appropriation of Retained Earnings

35th Fiscal Year(CY) : From January 1, 2021 to December 31, 2021

Expected date of appropriation : March 29, 2022

34th Fiscal Year(PY) : From January 1, 2020 to December 31, 2020

Fixed date of appropriation : March 19, 2021

KT&G Corporation

(Unit: 100 million KRW)

Classification	35 th FY (CY)	34 th FY (PY)
I. Unappropriated retained earnings	8,785	10,602
1. Unappropriated retained earnings carried over from prior year	-	-
2. Profit for the year	8,544	10,753
3. Remeasurements of net defined benefit liabilities	249	-151
4. Reclassification of losses from disposal of financial assets measured at FVOCI to Retained Earnings	-8	-
II. Appropriation of retained earnings	-8,785	-10,602
1. Dividends paid	-5,759	-5,956
Cash dividend payout(ratio) for Ordinary shares		
Current year(2021) : 4,800 KRW(96%)		
Prior year(2020) : 4,800 KRW(96%)		
2. Transfer to other reserve	-3,026	-4,646
III. Unappropriated retained earnings to be carried forward	-	-

Agenda No. 2

Partial Amendments of the Articles of Incorporation

It is proposed to partially change the Articles of Incorporation in accordance with Article 433 of the Commercial Code. Please note that the changes in many of the provisions of the Articles of Incorporation are purely stylistic changes in Korean and have no impact whatsoever on the substantive meaning nor the English translation thereof.

Before the changes	After the changes	Purpose of the changes
<p>Article 1 (Company Name)</p> <p>The name of this company is “<i>Chusik Hoesa</i> KT&G” (the “Company”), which shall be expressed as “KT&G Corporation” in English.</p>	<p>Article 1 (Company Name)</p> <p>The name of this company is “<i>Chusik Hoesa</i> KT&G” (the “Company”), which shall be expressed as “KT&G Corporation” in English.</p>	Stylistic changes in Korean
<p>Article 2 (Objective)</p> <p>(1) The objectives of the Company shall be as follows: 1.~48. (Omitted) 49. research activity incidental to the businesses described above.</p> <p>(2) The Company may engage in investment, contribution, loan, support or any other ancillary businesses that are necessary to accomplish the foregoing objectives.</p>	<p>Article 2 (Objective)</p> <p>(1) The objectives of the Company shall be as follows: 1.~48. (Same as before) 49. research activity incidental to the businesses described above.</p> <p>(2) The Company may engage in investment, contribution, loan, support or any other ancillary businesses that are necessary to accomplish the objectives specified in Paragraph (1).</p>	Stylistic changes in Korean
<p>Article 3 (Location of Head Office and Branch)</p> <p>The Company shall have its head office in Daejeon, Republic of Korea (“Korea”) and the Company may establish branches, liaison offices or subsidiaries within or outside Korea by a resolution of the Board of Directors, when it deems necessary.</p>	<p>Article 3 (Location of Head Office)</p> <p>The Company shall have its head office in Daejeon, Republic of Korea (“Korea”) and the Company may establish branches, liaison offices or subsidiaries within or outside Korea by a resolution of the Board of Directors, when it deems necessary.</p>	Stylistic changes in Korean

Before the changes	After the changes	Purpose of the changes
<p>Article 4 (Public Notices)</p> <p>Public notices by the Company shall be posted on the website of the Company (http://www.ktng.com). However, if such website cannot be used for the purpose of public notice due to any irregularity of computer system or other inevitable cause, it shall be issued in <i>The Seoul Shinmun</i>, a daily newspaper published in Seoul, Korea.</p>	<p>Article 4 (Public Notices)</p> <p>Public notices by the Company shall be posted on the website of the Company (http://www.ktng.com). However, if such website cannot be used for the purpose of public notice due to any irregularity of computer system or other inevitable cause, it shall be issued in <i>The Seoul Shinmun</i>, a daily newspaper published in Seoul, and <i>The Daejeon Ilbo</i>, a daily newspaper published in Daejeon, Korea.</p>	<p>Addition of the regional newspaper published in the location of headquarters</p> <p>Stylistic changes in Korean</p>
<p>Article 5 (Total Number of Authorized Shares and Par Value of Shares)</p> <p>The total number of shares of the Company authorized to be issued shall be 800,000,000 shares and the par value per share shall be 5,000 Won.</p>	<p>Article 5 (Total Number of Authorized Shares and Par Value of Shares)</p> <p>The total number of shares of the Company authorized to be issued shall be 800,000,000 shares and the par value per share shall be 5,000 Won.</p>	<p>Stylistic changes in Korean</p>
<p>Article 6 (Total Number of Shares Issued at the Time of Establishment)</p> <p>The total number of shares to be issued at the time of establishment of the Company shall be 274,566,387 shares.</p>	<p>Article 6 (Total Number of Shares Issued at the Time of Establishment)</p> <p>The total number of shares to be issued at the time of establishment of the Company shall be 274,566,387 shares.</p>	<p>Stylistic changes in Korean</p>
<p>Article 7 (Types of Shares and Share Certificates)</p> <p>The shares to be issued by the Company shall be common shares, preferred shares or convertible preferred shares, all of which are in non-bearer form. Share certificates may be issued by the Company in denominations of one (1), five (5), ten (10), fifty (50), one hundred (100), five hundred (500), one thousand (1,000) and ten thousand (10,000) shares.</p>	<p>Article 7 (Types of Shares and Electronic Registration of Rights that Must Be Indicated on Shares and Stock Subscription Warrant Certificates)</p> <p>(1) The shares to be issued by the Company shall be common shares, preferred shares or convertible preferred shares, all of which are in non-bearer form.</p>	<p>Reflection of The Act on Electronic Registration of Stocks and Bonds</p>

Before the changes	After the changes	Purpose of the changes
(Newly inserted)	(2) In lieu of issuance, the Company shall electronically register the rights that must appear on the shares and the warrant certificates with the electronic register of electronic registry.	
<p>Article 7-2 (Number and Terms of Preferred Shares)</p> <p>(1) Preferred shares to be issued by the Company shall be non-voting, and the number thereof shall not exceed the maximum number of shares prescribed by the applicable laws.</p> <p>(2) Dividends payable on preferred shares shall be of an amount equal to nine percent (9%) or more <i>per annum</i> of the par value thereof and the dividend rate shall be determined by the Board of Directors at the time of issuance.</p> <p>(3) Notwithstanding Paragraph (2) above, if distributable income is less than the minimum amount of dividends payable on preferred shares, dividends on preferred shares may not be declared.</p> <p>(4) If dividends on preferred shares are not declared as prescribed above in Paragraph (2), the preferred shares shall have voting rights, from the time of the general meeting of shareholders following the general meeting of shareholders at which the resolution not to declare dividends on preferred shares is adopted, to the time of the end of the general meeting of shareholders at which a resolution to declare dividends for such preferred shares is adopted.</p> <p>(5) The effective term of preferred shares shall be ten (10) years from</p>	<p>Article 7-2 (Number and Terms of Preferred Shares)</p> <p>(1) Preferred shares to be issued by the Company shall be non-voting, and the number thereof shall not exceed the maximum number of shares prescribed by the applicable laws.</p> <p>(2) Dividends payable on preferred shares shall be of an amount equal to nine percent (9%) or more <i>per annum</i> of the par value thereof and the dividend rate shall be determined by the Board of Directors at the time of issuance.</p> <p>(3) Notwithstanding Paragraph (2) above, if distributable income is less than the minimum amount of dividends payable on preferred shares, dividends on preferred shares may not be declared.</p> <p>(4) If dividends on preferred shares are not declared as prescribed above in Paragraph (2), the preferred shares shall have voting rights, from the time of the general meeting of shareholders following the general meeting of shareholders at which the resolution not to declare dividends on preferred shares is adopted, to the time of the end of the general meeting of shareholders at which a resolution to declare dividends for such preferred shares is adopted.</p> <p>(5) The effective term of preferred shares shall be ten (10) years from</p>	Stylistic changes in Korean

Before the changes	After the changes	Purpose of the changes
<p>the date of issuance. Upon expiration of the term, the preferred shares shall be converted into common shares. However, if all dividends due as prescribed above in Paragraph (2) are not declared on the preferred shares within the effective term, the term shall be extended until such dividends are declared on the preferred shares and paid in full. In this case, the provision of Article 8(4) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to dividends on shares to be issued upon conversion.</p>	<p>the date of issuance. Upon expiration of the term, the preferred shares shall be converted into common shares. However, if all dividends due as prescribed above in Paragraph (2) are not declared on the preferred shares within the effective term, the term shall be extended until such dividends are declared on the preferred shares and paid in full. In this case, the provision of Article 8(5) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to dividends on shares to be issued upon conversion.</p>	
<p>Article 7-3 (Number and Terms of Convertible Preferred Shares)</p> <p>(1) Convertible preferred shares to be issued by the Company shall be non-voting, and the number thereof shall not exceed the maximum number of shares prescribed by the applicable laws.</p> <p>(2) Dividends payable on convertible preferred shares shall be of an amount equal to nine percent (9%) or more <i>per annum</i> of the par value thereof and the dividend rate shall be determined by the Board of Directors at the time of issuance. The provision of Article 8(4) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to dividends on shares to be issued upon conversion.</p> <p>(3) One (1) convertible preferred share may be converted into one (1) common share of the Company at the request of holders of such convertible preferred shares. The period during which conversion may be requested shall be three (3) years from the date immediately following the date of issuance of the relevant</p>	<p>Article 7-3 (Number and Terms of Convertible Preferred Shares)</p> <p>(1) Convertible preferred shares to be issued by the Company shall be non-voting, and the number thereof shall not exceed the maximum number of shares prescribed by the applicable laws.</p> <p>(2) Dividends payable on convertible preferred shares shall be of an amount equal to nine percent (9%) or more <i>per annum</i> of the par value thereof and the dividend rate shall be determined by the Board of Directors at the time of issuance. The provision of Article 8(5) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to dividends on shares to be issued upon conversion.</p> <p>(3) One (1) convertible preferred share may be converted into one (1) common share of the Company at the request of holders of such convertible preferred shares. The period during which conversion may be requested shall be three (3) years from the date immediately following the date of issuance of the relevant</p>	<p>The clarification of the meaning (some portion of Paragraph (3) was divided into a new section, i.e., Paragraph (5))</p> <p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>convertible preferred shares; <i>provided, however,</i> that the Board of Directors may, by its resolution, adjust the conversion period within the above period. <i>Provided, however,</i> that at the time of issuance of convertible preferred shares, the Board of Directors shall determine the matters regarding the adjustment of the conversion ratio in case of a change in the shareholding ratio of convertible preferred shares (assuming that all common shares issuable upon conversion of outstanding convertible preferred shares have been issued and outstanding) due to split or consolidation of common shares or any other similar events.</p> <p>(4) If conversion rights on convertible preferred shares are not exercised within the conversion period, convertible preferred shares shall be converted into common shares on the date immediately following the end of the conversion period. In this case, the provision of Article 8(4) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to dividends on shares to be issued upon conversion.</p> <p>(Newly inserted)</p> <p>(5) Notwithstanding Paragraph (2)</p>	<p>convertible preferred shares; <i>provided, however,</i> that the Board of Directors may, by its resolution, adjust the conversion period within the above period.</p> <p>(4) If conversion rights on convertible preferred shares are not exercised within the conversion period, convertible preferred shares shall be deemed to be converted into common shares on the date of end of the conversion period. In this case, the provision of Article 8(5) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to dividends on shares to be issued upon conversion.</p> <p>(5) At the time of issuance of convertible preferred shares, the Board of Directors shall determine the matters regarding the adjustment of the conversion ratio in case of a change in the shareholding ratio of convertible preferred shares (assuming that all common shares issuable upon conversion of outstanding convertible preferred shares have been issued and outstanding) due to split or consolidation of common shares or any other similar events.</p> <p>(6) Notwithstanding Paragraph (2)</p>	

Before the changes	After the changes	Purpose of the changes
<p>above, if distributable income is less than the minimum amount of dividends payable on convertible preferred shares, dividends on convertible preferred shares may not be declared.</p> <p>(6) Convertible preferred shares may have additional rights and characteristics determined by a resolution of the Board of Directors prior to the issuance thereof to the extent permitted by the applicable laws.</p> <p>(7) The provision of Article 7-2(4) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to convertible preferred shares.</p>	<p>above, if distributable income is less than the minimum amount of dividends payable on convertible preferred shares, dividends on convertible preferred shares may not be declared.</p> <p>(7) Convertible preferred shares may have additional rights and characteristics determined by a resolution of the Board of Directors prior to the issuance thereof to the extent permitted by the applicable laws.</p> <p>(8) The provision of Article 7-2(4) of these Articles of Incorporation shall apply <i>mutatis mutandis</i> to convertible preferred shares.</p>	
<p>Article 8 (Preemptive Rights and Commencement Date for Dividends on New Shares)</p> <p>(1) The Company’s shareholders shall have the preemptive right to subscribe for new shares in proportion to their respective shareholding ratios. If the Company issues new shares by rights issue or bonus issue, with respect to preferred shares or convertible preferred shares, the new shares shall be common shares in the case of rights issue and shall be the shares of same class in the case of bonus issue. In case of abandonment or loss of the preemptive right of the shareholders to subscribe for new shares, or if fractional shares remain at the time of allocation of new shares, such shares shall be disposed of by a resolution of the Board of Directors.</p> <p>(Newly inserted)</p>	<p>Article 8 (Preemptive Rights and Commencement Date for Dividends on New Shares)</p> <p>(1) The Company’s shareholders shall have the preemptive right to subscribe for new shares in proportion to their respective shareholding ratios. If the Company issues new shares by rights issue or bonus issue, with respect to preferred shares or convertible preferred shares, the new shares shall be the shares of same class to be allocated to common shares in the case of rights issue and shall be the shares of same class in the case of bonus issue.</p> <p>(2) In case of abandonment or loss of the preemptive right of the shareholders to subscribe for new shares, or if fractional shares remain at the time of allocation of new</p>	<p>The clarification of the meaning (some portion of Paragraph (1) was divided into a new section, i.e., Paragraph (2))</p> <p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>(2) Notwithstanding Paragraph (1) above, in any of the following cases, the Company may allocate new shares to persons other than existing shareholders by a resolution of the Board of Directors:</p> <p>1. through 3. (Omitted)</p> <p>4. when the Company issues new shares as prescribed by the applicable laws and regulations.</p> <p>(3) If the Company issues new shares for value, the Company may preferentially allocate new shares to the members of the Employee Stock Ownership Association set forth in Subparagraph 2 of Paragraph (2) above to the extent permissible under the Financial Investment Services and Capital Market Act (the “FISCMA”).</p> <p>(4) If the Company issues new shares by rights issue, bonus issue or stock dividend, the new shares shall, with respect to their dividends, be deemed to have been issued at the end of the fiscal year immediately preceding the fiscal year during which such new shares were issued; <i>provided, however,</i> that if the Company issues new shares by rights issue, bonus issue or stock dividend after the record date referred to in Article 43(3), with respect to the interim dividends on the new shares, the new shares shall be deemed to have been issued immediately after such record date.</p>	<p>shares, such shares shall be disposed of by a resolution of the Board of Directors.</p> <p>(3) Notwithstanding Paragraph (1) above, in any of the following cases, the Company may allocate new shares to persons other than existing shareholders by a resolution of the Board of Directors:</p> <p>1. through 3. (Same as before)</p> <p>4. when the Company issues new shares as prescribed by the applicable laws and regulations.</p> <p>(4) If the Company issues new shares for value, the Company may preferentially allocate new shares to the members of the Employee Stock Ownership Association set forth in Subparagraph 2 of Paragraph (3) above to the extent permissible under the Financial Investment Services and Capital Market Act (the “FISCMA”).</p> <p>(5) If the Company issues new shares by rights issue, bonus issue or stock dividend, the new shares shall, with respect to their dividends, be deemed to have been issued at the end of the fiscal year immediately preceding the fiscal year during which such new shares were issued; <i>provided, however,</i> that if the Company issues new shares by rights issue, bonus issue or stock dividend after the record date referred to in Article 43(3), with respect to the interim dividends on the new shares, the new shares shall be deemed to have been issued immediately after such record date.</p>	
<p>Article 9 (Stock Option)</p> <p>(1) The Company may grant stock options to its officers and employees, who have contributed, or are capable of contributing, to the improvement</p>	<p>Article 9 (Stock Option)</p> <p>(1) The Company may grant stock options to its officers and employees other than any of the following persons, who have contributed, or are</p>	<p>The clarification of the meaning</p> <p>Reflection of the revision of</p>

Before the changes	After the changes	Purpose of the changes
<p>of management performance, technical innovation and others of the Company, by a special resolution of the general meeting of shareholders, to an extent not exceeding twenty percent (20%) of the total number of issued and outstanding shares as provided by the Enforcement Decree of the Commercial Code; <i>provided, however,</i> that the Company may grant stock options to its officers and employees, by a resolution of the Board of Directors, to an extent not exceeding ten percent (10%) of the total number of issued and outstanding shares as provided by the Enforcement Decree of the Commercial Code. However, any of the following persons shall not be entitled to receive such stock options:</p> <ol style="list-style-type: none"> 1. the largest shareholder (as defined in Article 542-8(2)(v) of the Commercial Code) (the “Largest Shareholder”) of the Company and its specially related persons (as defined in Article 13(4) of the Enforcement Decree of the Commercial Code) (the “Specially Related Persons”), except for such persons who are deemed the Specially Related Persons by becoming officers and directors of the Company; 2. major shareholder(s) of the Company (as defined in Article 542-8(2)(vi) of the Commercial Code) (the “Major Shareholder(s)”) and its Specially Related Persons, except for such persons who are deemed the Specially Related Persons by becoming officers and directors of the Company; and 3. (Omitted) <p>(2) (Omitted)</p>	<p>capable of contributing, to the improvement of management performance, technical innovation and others of the Company, by a special resolution of the general meeting of shareholders, to an extent not exceeding twenty percent (20%) of the total number of issued and outstanding shares as provided by the Enforcement Decree of the Commercial Code; <i>provided, however,</i> that the Company may grant stock options to its officers and employees, by a resolution of the Board of Directors, to an extent not exceeding ten percent (10%) of the total number of issued and outstanding shares as provided by the Enforcement Decree of the Commercial Code:</p> <ol style="list-style-type: none"> 1. the largest shareholder (as defined in Article 542-8(2)(v) of the Commercial Code) (the “Largest Shareholder”) of the Company and its specially related persons (as defined in Article 542-8(2)(v) of the Commercial Code) (the “Specially Related Persons”), except for such persons who are deemed the Specially Related Persons by becoming officers and directors of the Company; 2. major shareholder(s) of the Company (as defined in Article 542-8(2)(vi) of the Commercial Code) (the “Major Shareholder(s)”) and its Specially Related Persons, except for such persons who are deemed the Specially Related Persons by becoming officers and directors of the Company; and 3. (Same as before) <p>(2) (Same as before)</p>	<p>the relevant law</p> <p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>(3) The number of officers and employees of the Company, to whom stock options may be granted, may not exceed ninety nine (99%) of the total number of the then current officers and employees, and the number of stock options to be granted to an officer or employee may not exceed ten percent (10%) of the total number of issued and outstanding shares.</p> <p>(4) The purchase price per share to be acquired through exercise of stock options shall not be less than the price prescribed by the Commercial Code.</p> <p>(5) The stock options may be exercised, during the period prescribed by a separate agreement, within seven (7) years after two (2) years following the date of the general meeting of shareholders or the meeting of the Board of Directors at which a resolution to grant such stock options was adopted.</p> <p>(6) The officers and employees of the Company, who have been granted stock options, may exercise such stock options only if they serve the Company for two (2) years or more following the date of the general meeting of shareholders or the meeting of the Board of Directors at which a resolution to grant such stock options was adopted. However, if such officer or employee dies or retires or resigns from office due to age limit or any cause not attributable to him or her, he or she may exercise his or her stock options during the above exercise period.</p> <p>(7) In any of the following cases, the Company may, by a resolution of the Board of Directors, cancel the stock</p>	<p>(3) The number of officers and employees of the Company, to whom stock options may be granted, may not exceed ninety nine (99%) of the total number of the then current officers and employees, and the number of stock options to be granted to an officer or employee may not exceed ten percent (10%) of the total number of issued and outstanding shares.</p> <p>(4) The purchase price per share to be acquired through exercise of stock options shall not be less than the price prescribed by the Commercial Code.</p> <p>(5) The stock options may be exercised, during the period prescribed by a separate agreement, within seven (7) years after two (2) years following the date of the general meeting of shareholders or the meeting of the Board of Directors at which a resolution to grant such stock options was adopted.</p> <p>(6) The officers and employees of the Company, who have been granted stock options, may exercise such stock options only if they serve the Company for two (2) years or more following the date of the general meeting of shareholders or the meeting of the Board of Directors at which a resolution to grant such stock options was adopted. However, if such officer or employee dies or retires or resigns from office due to any cause not attributable to him or her, he or she may exercise his or her stock options during the above exercise period.</p> <p>(7) In any of the following cases, the Company may, by a resolution of the Board of Directors, cancel the stock</p>	

Before the changes	After the changes	Purpose of the changes
<p>options:</p> <p>1. when the relevant officer or employee voluntarily resigns or retires from his or her position at the Company after receiving the stock option;</p> <p>2. when the relevant officer or employee inflicts material damages or losses on the Company due to intentional misconduct or gross negligence of such person and thereby has been removed or dismissed from his or her position; and</p> <p>3. when there occurs any other event for cancellation of the stock option pursuant to the stock option agreement.</p>	<p>options:</p> <p>1. when the relevant officer or employee voluntarily resigns or retires from his or her position at the Company after receiving the stock option;</p> <p>2. when the relevant officer or employee inflicts material damages or losses on the Company due to intentional misconduct or gross negligence of such person and thereby has been removed or dismissed from his or her position; and</p> <p>3. when there occurs any other event for cancellation of the stock option pursuant to the stock option agreement.</p>	
<p>Article 11 (Transfer Agent)</p> <p>(3) The shareholders' registry or a duplicate thereof shall be kept at the location where the transfer agent's services are to be rendered and the transfer agent shall handle the entries of alternations in the shareholders' registry, registering the creation and cancellation of pledges over shares, insertion or deletion of trust property, issuance of share certificates, filing of reports and other duties with respect to shares.</p> <p>(4) The procedures for the activities set forth in Paragraph (3) above shall be conducted in accordance with the Regulation on the Securities Transfer Agency Business of the Transfer Agent.</p>	<p>Article 11 (Transfer Agent)</p> <p>(3) The shareholders' registry or a duplicate thereof shall be kept at the location where the transfer agent's services are to be rendered and the transfer agent shall handle the matters related to the electronic registration of shares, management of the shareholders' registry and other duties with respect to shares.</p> <p>(4) The procedures for the activities set forth in Paragraph (3) above shall be conducted in accordance with the relevant regulations of transfer agent.</p>	<p>Reflection of The Act on Electronic Registration of Stocks and Bonds</p>
<p>Article 12 (Report of Addresses, Names and Seals or Signatures of Shareholders and Others)</p> <p>(1) Shareholders and registered pledgees shall report to the Company their names, addresses and seals or signatures.</p>	<p>(Deleted)</p>	<p>Reflection of The Act on Electronic Registration of Stocks and Bonds</p>

Before the changes	After the changes	Purpose of the changes
<p>(2) Shareholders and registered pledgees, who reside in foreign countries, shall inform the Company of their agents to whom, and the addresses to where, notices may be given in Korea.</p> <p>(3) Any change in the said information in Paragraphs (1) and (2) above shall be reported to the Company.</p>		
<p>Article 13 (Suspension of Altering Entry in the Shareholders' Registry and Record Date)</p> <p>(1) The Company shall suspend entry of alternation in the shareholders' registry during the period from January 1 until January 7 of each year.</p> <p>(2) The Company shall deem any shareholder, whose name appears in the shareholders' registry on the last day of each fiscal year, to be the shareholder who is entitled to exercise their rights at the annual general meeting of shareholders for such fiscal year.</p> <p>(3) The Company, by a resolution of the Board of Directors, in the case of convening the extraordinary general meeting of shareholders or any other necessary cases, may suspend entry of alteration in the shareholders' registry for a period not exceeding three (3) months prior thereto, or deem any shareholder, whose name appears in the shareholders' registry on the date designated by the Board of Directors, to be the shareholder who is entitled to exercise the rights in connection with such shares. If deemed necessary by the Board of Directors, the Company may suspend any entry into the shareholders' registry and set</p>	<p>Article 13 (Record Date)</p> <p>(Deleted)</p> <p>(2) The Company shall deem any shareholder, whose name appears in the shareholders' registry on December 31 of each year, to be the shareholder who is entitled to exercise their rights at the annual general meeting of shareholders for such fiscal year.</p> <p>(3) The Company, by a resolution of the Board of Directors, in the case of convening the extraordinary general meeting of shareholders or in any other necessary cases, may deem any shareholder, whose name appears in the shareholders' registry on the date designated by the Board of Directors, to be the shareholder who is entitled to exercise the rights in connection with such shares. The Company shall give public notice thereof at least two (2) weeks in advance of such date designated by the Board of Directors.</p>	<p>Reflection of The Act on Electronic Registration of Stocks and Bonds</p> <p>The clarification of the meaning</p>

Before the changes	After the changes	Purpose of the changes
<p>the record date at the same time. The Company shall give public notice of the period and date at least two (2) weeks in advance of the commencement of the period and the occurrence of such date.</p>		
<p>Article 14 (Issuance of Convertible Bonds)</p> <p>(1) In any of the following cases, the Company may, by a resolution of the Board of Directors, issue convertible bonds to persons other than shareholders to the extent that the total face value of the bonds shall not exceed 500,000,000,000 Won:</p> <ol style="list-style-type: none"> 1. when the Company issues convertible bonds by public offering pursuant to the FISCMA; 2. when the Company issues convertible bonds to companies having cooperative business relations with the Company for the purposes of introduction of technology or other purposes; 3. when the Company issues convertible bonds to solicit foreign investment for the purpose of the Company's business pursuant to the Foreign Investment Promotion Act; 4. (Omitted) 5. when the Company issues convertible bonds overseas in accordance with Article 165-16 of the FISCMA; and 6. when the Company issues convertible bonds as reasonably deemed by the Board of Directors for the purpose of the Company's business. <p>(2) The Board of Directors may issue the convertible bonds referred to in Paragraph (1) above on the condition that conversion rights will be attached to only a portion of the convertible bonds.</p>	<p>Article 14 (Issuance of Convertible Bonds)</p> <p>(1) In any of the following cases, the Company may, by a resolution of the Board of Directors, issue convertible bonds to persons other than shareholders to the extent that the total face value of the bonds shall not exceed 500,000,000,000 Won:</p> <ol style="list-style-type: none"> 1. when the Company issues convertible bonds by public offering pursuant to the FISCMA; 2. when the Company issues convertible bonds to companies having cooperative business relations with the Company for the purposes of introduction of technology or other purposes; 3. when the Company issues convertible bonds to solicit foreign investment for the purpose of the Company's business pursuant to the Foreign Investment Promotion Act; 4. (Same as before) 5. when the Company issues convertible bonds overseas in accordance with Article 165-16 of the FISCMA; and 6. when the Company issues convertible bonds as reasonably deemed by the Board of Directors for the purpose of the Company's business. <p>(2) The Board of Directors may issue the convertible bonds referred to in Paragraph (1) above on the condition that conversion rights will be attached to only a portion of the convertible bonds.</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>(3) The shares to be issued upon conversion shall be common shares, preferred shares or convertible preferred shares, which shall be determined by the Board of Directors at the time of issuance of convertible bonds. The conversion price, which shall be equal to or more than the face value of the shares, shall be determined by the Board of Directors at the time of issuance of the convertible bonds.</p> <p>(4) The period during which conversion rights may be exercised shall commence on the date immediately following one (1) month after the issue date of the convertible bonds and end on the date immediately preceding the redemption date thereof, which shall be determined by the Board of Directors at the time of issuance of the convertible bonds.</p> <p>(5) For the purpose of any distribution of dividends on the shares issued upon conversion or any payment of interest, the provision of Article 8(4) of these Articles of Incorporation shall apply <i>mutatis mutandis; provided, however</i>, that for the purpose of any distribution of interim dividends on the shares issued upon conversion after the record date referred to in Article 43(3), the shares shall be deemed to have been issued immediately after such record date.</p>	<p>(3) The shares to be issued upon conversion shall be common shares, preferred shares or convertible preferred shares, which shall be determined by the Board of Directors at the time of issuance of convertible bonds. The conversion price, which shall be equal to or more than the face value of the shares, shall be determined by the Board of Directors at the time of issuance of the convertible bonds.</p> <p>(4) The period during which conversion rights may be exercised shall commence on the date immediately following one (1) month after the issue date of the convertible bonds and end on the date immediately preceding the redemption date thereof, which shall be determined by the Board of Directors at the time of issuance of the convertible bonds.</p> <p>(5) For the purpose of any distribution of dividends on the shares issued upon conversion or any payment of interest, the provision of Article 8(5) of these Articles of Incorporation shall apply <i>mutatis mutandis; provided, however</i>, that for the purpose of any distribution of interim dividends on the shares issued upon conversion after the record date referred to in Article 43(3), the shares shall be deemed to have been issued immediately after such record date.</p>	
<p>Article 15 (Issuance of Bonds with Warrants)</p> <p>(1) In any of the cases listed in Article 14(1), the Company may, by a resolution of the Board of Directors, issue bonds with warrants to persons other than shareholders to</p>	<p>Article 15 (Issuance of Bonds with Warrants)</p> <p>(1) In any of the cases listed in Article 14(1), the Company may, by a resolution of the Board of Directors, issue bonds with warrants to persons other than shareholders to</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>the extent that the total face value of such bonds shall not exceed 500,000,000,000 Won.</p> <p>(2) The aggregate value of new shares, which can be subscribed for by the holders of the bonds with warrants, shall be determined by the Board of Directors; <i>provided, however,</i> that the amount of such new shares shall not exceed the aggregate face value of the bonds with warrants.</p> <p>(3) The shares to be issued upon exercise of warrants shall be common shares, preferred shares and convertible preferred shares, which shall be determined by the Board of Directors at the time of issuance of bonds with warrants. The issue price, which shall be equal to or more than the face value of the shares, shall be determined by the Board of Directors at the time of issuance of bonds with warrants.</p> <p>(4) The period during, which warrants may be exercised, shall commence on the date immediately following one (1) month after the issue date of the bonds with warrants and end on the date immediately preceding the redemption date thereof, which shall be determined by the Board of Directors at the time of issuance of the bonds with warrants.</p> <p>(5) For the purpose of any distribution of dividends on the shares issued upon exercise of warrants or any payment of interest, the provision of Article 8(4) of these Articles of Incorporation shall apply <i>mutatis mutandis; provided, however,</i> that for the purpose of any</p>	<p>the extent that the total face value of such bonds shall not exceed 500,000,000,000 Won.</p> <p>(2) The aggregate value of new shares, which can be subscribed for by the holders of the bonds with warrants, shall be determined by the Board of Directors; <i>provided, however,</i> that the amount of such new shares shall not exceed the aggregate face value of the bonds with warrants.</p> <p>(3) The shares to be issued upon exercise of warrants shall be common shares, preferred shares and convertible preferred shares, which shall be determined by the Board of Directors at the time of issuance of bonds with warrants. The issue price, which shall be equal to or more than the face value of the shares, shall be determined by the Board of Directors at the time of issuance of bonds with warrants.</p> <p>(4) The period during, which warrants may be exercised, shall commence on the date immediately following one (1) month after the issue date of the bonds with warrants and end on the date immediately preceding the redemption date thereof, which shall be determined by the Board of Directors at the time of issuance of the bonds with warrants.</p> <p>(5) For the purpose of any distribution of dividends on the shares issued upon exercise of warrants or any payment of interest, the provision of Article 8(5) of these Articles of Incorporation shall apply <i>mutatis mutandis; provided, however,</i> that for the purpose of any</p>	

Before the changes	After the changes	Purpose of the changes
distribution of interim dividends on the shares issued upon conversion after the record date referred to in Article 43(3), the shares shall be deemed to have been issued immediately after such record date.	distribution of interim dividends on the shares issued upon conversion after the record date referred to in Article 43(3), the shares shall be deemed to have been issued immediately after such record date.	
(Newly inserted)	<p>Article 15-2 (Electronic Registration of Rights That Must Appear on Bonds and Warrant Certificates)</p> <p>In lieu of issuing bond certificates and warrant certificates, the Company shall electronically register the rights that must appear on bonds and warrant certificates with the electronic register of electronic registry; <i>provided, however</i>, in the case of bonds, the Company may forgo such electronic registration unless the bonds are subject to the mandatory electronic registration under relevant laws, such as listed bonds.</p>	Reflection of The Act on Electronic Registration of Stocks and Bonds
<p>Article 16 (Applicable Provisions for the Issuance of Bonds)</p> <p>The provisions of Articles 11 through 13 shall apply <i>mutatis mutandis</i> to the issuance of bonds.</p>	<p>Article 16 (Applicable Provisions for the Issuance of Bonds)</p> <p>The provisions of Articles 11 shall apply <i>mutatis mutandis</i> to the issuance of bonds.</p>	Reflection of the revisions to the quoted legal provision
<p>Article 17 (Convening and Types of General Meetings of Shareholders)</p> <p>(1) The general meetings of shareholders of the Company (the “Meeting”) shall be of two kinds: (i) annual general meeting of shareholders (the “Annual Meeting”) and (ii) extraordinary general meeting of shareholders (the “Extraordinary Meeting”). The Annual Meeting shall be held within three (3) months after the end of each fiscal year, and the Extraordinary Meeting may be convened at any time as deemed necessary by a resolution of the</p>	<p>Article 17 (Convening and Types of General Meetings of Shareholders)</p> <p>(1) The general meetings of shareholders of the Company (the “Meeting”) shall be of two kinds: (i) annual general meeting of shareholders (the “Annual Meeting”) and (ii) extraordinary general meeting of shareholders (the “Extraordinary Meeting”). The Annual Meeting shall be held within three (3) months after the end of each fiscal year, and the Extraordinary Meeting may be convened at any time as deemed necessary by a resolution of the</p>	<p>The clarification of the meaning</p> <p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>Board of Directors and the applicable laws.</p> <p>(2) The Meeting may not resolve matters other than those stated in the notice of the Meeting.</p> <p>(3) The Meeting shall be held either at the place where the head office of the Company is located or in Seoul, Korea. The Meeting, if necessary, may be held at a nearby place as determined by a resolution of the Board of Directors.</p> <p>(4) The President of the Company shall convene a Meeting. In case where the President fails to convene, the provision of Article 28(2) of these Articles of Incorporation shall apply <i>mutatis mutandis</i>.</p>	<p>Board of Directors and the applicable laws.</p> <p>(2) The Meeting may not resolve matters other than those stated in the notice of the Meeting.</p> <p>(3) The Meeting shall be held either at the place where the head office of the Company is located or in Seoul, Korea. The Meeting, if necessary, may be held at a nearby place as determined by a resolution of the Board of Directors.</p> <p>(4) The President of the Company who is the Representative Director (hereinafter, the “President”) shall convene a Meeting. In case where the President fails to convene, the provision of Article 28(2) of these Articles of Incorporation shall apply <i>mutatis mutandis</i>.</p>	
<p>Article 18 (Notice of the Meeting)</p> <p>(1) In convening the Meeting, individual notice thereof shall be given, in writing or by electronic mail, to the shareholders two (2) weeks prior to the date set for such Meeting. The notice shall state the agenda of the Meeting, the time and date when and place where the Meeting will be held.</p> <p>(2) For those shareholders who own one percent (1%) or less of the total number of voting shares, instead of sending individual notices, a notice of the Meeting which sets forth the convening and agenda of the Meeting, may be given by the Company by way of public notices thereof at least twice in <i>The Seoul Shinmun</i>, a daily newspaper published in Seoul, Korea or <i>The Daejeon Ilbo</i>, a daily newspaper</p>	<p>Article 18 (Notice of the Meeting)</p> <p>(1) In convening the Meeting, individual notice thereof shall be given, in writing or by electronic mail, to the shareholders two (2) weeks prior to the date set for such Meeting. The notice shall state the agenda of the Meeting, the time and date when and place where the Meeting will be held.</p> <p>(2) For those shareholders who own one percent (1%) or less of the total number of voting shares, instead of sending individual notices, a notice of the Meeting which sets forth the convening and agenda of the Meeting, may be given by the Company by way of public notices thereof at least twice in <i>The Seoul Shinmun</i>, a daily newspaper published in Seoul, Korea or <i>The Daejeon Ilbo</i>, a daily newspaper</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
published in Daejeon, Korea or on the electronic disclosure system (i.e., KIND) of the Korea Exchange or the electronic disclosure system (i.e., DART) of the Financial Supervisory Service two (2) weeks prior to the date set for such Meeting.	published in Daejeon, Korea or on the electronic disclosure system (i.e., KIND) of the Korea Exchange or the electronic disclosure system (i.e., DART) of the Financial Supervisory Service two (2) weeks prior to the date set for such Meeting.	
<p>Article 19 (Chairman of the Meeting)</p> <p>The President of the Company shall be the chairman of the Meeting. In the event that the President is absent or fails to serve as the chairman of the Meeting, the provision of Article 28(2) of these Articles of Incorporation shall apply <i>mutatis mutandis</i>.</p>	<p>Article 19 (Chairman of the Meeting)</p> <p>The President of the Company shall be the chairman of the Meeting; <i>provided, however</i>, in the event that the President is absent or fails to serve as the chairman of the Meeting, the provision of Article 28(2) of these Articles of Incorporation shall apply <i>mutatis mutandis</i>.</p>	Stylistic changes in Korean
<p>Article 20 (Resolution of the Meeting)</p> <p>(1) All resolutions at the Meeting shall be adopted by an affirmative vote of a majority of the voting shares represented at the Meeting and one-fourth (1/4) or more of the voting shares issued and outstanding, except where a greater percentage is required by the applicable laws.</p> <p>(2) Notwithstanding Article 385(1) of the Commercial Code, the dismissal of the directors shall be adopted by an affirmative vote of two thirds (2/3) or more of the voting shares represented at the Meeting and one half (1/2) or more of the voting shares issued and outstanding. Provided, however, that the dismissal as set forth in Articles 26(2) and 32-2(4) of these Articles of Incorporation shall be adopted by a resolution pursuant to Article 434 of the Commercial Code.</p> <p>(3) Notwithstanding Article 434 of the Commercial Code, the</p>	<p>Article 20 (Resolution of the Meeting)</p> <p>(1) All resolutions at the Meeting shall be adopted by an affirmative vote of a majority of the voting shares represented at the Meeting and one-fourth (1/4) or more of the voting shares issued and outstanding, except where a greater percentage is required by the applicable laws.</p> <p>(2) Notwithstanding Article 385(1) of the Commercial Code, the dismissal of the directors shall be adopted by an affirmative vote of two thirds (2/3) or more of the voting shares represented at the Meeting and one half (1/2) or more of the voting shares issued and outstanding. Provided, however, that the dismissal as set forth in Articles 26(2) and 32-2(4) of these Articles of Incorporation shall be adopted by a resolution pursuant to Article 434 of the Commercial Code.</p> <p>(3) Notwithstanding Article 434 of the Commercial Code, the</p>	Stylistic changes in Korean

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<p>amendment of the first sentence of Paragraph (2) above shall be adopted by an affirmative vote of two thirds (2/3) or more of the voting shares represented at the Meeting and one half (1/2) or more of the voting shares issued and outstanding.</p>	<p>amendment of the first sentence of Paragraph (2) above shall be adopted by an affirmative vote of two thirds (2/3) or more of the voting shares represented at the Meeting and one half (1/2) or more of the voting shares issued and outstanding.</p>	
<p>Article 21 (Voting by Proxy)</p> <p>(2) In case of Paragraph (1) above, the proxy holder shall file with the Company the documents evidencing the authority to act as a proxy before the Meeting.</p>	<p>Article 21 (Voting by Proxy)</p> <p>(2) In case of Paragraph (1) above, the proxy holder shall file with the Company the documents evidencing the authority to act as a proxy before the Meeting.</p>	<p>Stylistic changes in Korean</p>
<p>Article 22 (Chairman's Right to Maintain Order)</p> <p>(1) The chairman of the Meeting may suspend or, cancel a person's right to speak or order such person to be removed from the Meeting if such person speaks or acts in such manner as to intentionally interrupt the proceedings or disturb the order of the Meeting.</p>	<p>Article 22 (Chairman's Right to Maintain Order)</p> <p>(1) The chairman of the Meeting may suspend or, cancel a person's right to speak or order such person to be removed from the Meeting if such person speaks or acts in such manner as to intentionally interrupt the proceedings or disturb the order of the Meeting.</p>	<p>Stylistic changes in Korean</p>
<p>Article 23 (Minutes of the Meeting)</p> <p>The substance of the course of the proceedings of the Meeting and the results thereof shall be recorded in the minutes, which shall bear the names and seals or signatures of the chairman of the Meeting and of the directors present at the Meeting, and shall be preserved in the Company.</p>	<p>Article 23 (Minutes of the Meeting)</p> <p>The substance of the course of the proceedings of the Meeting and the results thereof shall be recorded in the minutes, which shall bear the names and seals or signatures of the chairman of the Meeting and of the directors present at the Meeting, and shall be preserved in the head office and branches.</p>	<p>Stylistic changes in Korean</p>
<p>Article 24 (Shareholders' Committee)</p> <p>(1) The Company may have the Shareholders' Committee consisting of not more than fifteen (15) members for the efficient operation of the Meeting.</p> <p>(2) The Shareholders' Committee shall be composed of the following</p>	<p>(Deleted)</p>	<p>Deleted because the Act On The Improvement Of Managerial Structure And Privatization Of Public Enterprises no longer applies</p>

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<p>persons; <i>provided that</i> (i) the number of the institutional shareholder members may not exceed five (5), and (ii) if two (2) or more of the shareholders holding the largest number of the issued and outstanding shares would fall under the Specially Related Persons, only two (2) shareholders can be members of the Shareholders' Committee, however any shareholder who ranks thereafter in terms of the number of issued and outstanding shares shall not be a member of the Shareholders' Committee:</p> <ol style="list-style-type: none"> 1. fourteen (14) shareholders holding the largest number of the issued and outstanding shares as of the date of the suspension of alteration of the shareholders' registry or the record date; and 2. one representative of the Employee Stock Ownership Association. <p>(3) Any person in competition with the Company or the Specially Related Persons of such person shall not be a member of the Shareholders' Committee.</p> <p>(4) The Shareholders' Committee shall perform the following duties:</p> <ol style="list-style-type: none"> 1. to recommend independent non-executive director(s); 2. to submit opinions regarding the agenda of the Meeting, which was presented to the Shareholders' Committee for review by the Board of Directors; and 3. to provide mutual cooperation among the members within the Shareholders' Committee for the stabilization of the management control over the Company. 		to the Company

Before the changes	After the changes	Purpose of the changes
<p>(5) After the Board of Directors resolved the agenda to be proposed at the Meeting, the President shall convene a meeting of the Shareholders' Committee prior to the date set for the Meeting.</p> <p>(6) The chairman of the Shareholders' Committee shall be elected and appointed from among its members.</p> <p>(7) In relation to the agenda referred to in Paragraph 4(2) above, all resolutions at the Shareholders' Committee shall be adopted by an affirmative vote of a majority of the members present at such meeting and the presence of a majority of the members of the Shareholders' Committee at such meeting. Each member shall have one vote regardless of the number of shares held by him or her.</p> <p>(8) If deemed necessary by the Board of Directors, the Company shall report any material matter relating to the interests of the shareholders to the Shareholders' Committee.</p>		
<p>Article 25 (Number of Directors)</p> <p>The Company shall have one (1) President and nine (9) or less directors; <i>provided, however</i>, that the Company shall have four (4) or less inside directors, which include the President, and such inside directors shall be less than one half (1/2) of the total number of directors.</p>	<p>Article 25 (Number of Directors)</p> <p>The Company shall have ten (10) or less directors; <i>provided, however</i>, that the Company shall have four (4) or less inside directors, which include the President, and such inside directors shall be less than one half (1/2) of the total number of directors.</p>	<p>The clarification of the meaning (unified using the term 'director')</p> <p>Stylistic changes in Korean</p>
<p>Article 26 (Election of the President and Directors)</p> <p>(1) The President shall be elected at the Meeting among the persons recommended by the President Candidate Recommendation Committee pursuant to Article 32.</p>	<p>Article 26 (Election of the President and Directors)</p> <p>(1) The President shall be elected at the Meeting among the persons recommended by the President Candidate Recommendation Committee pursuant to Article 32.</p>	<p>The clarification of the meaning</p> <p>Stylistic changes in Korean</p>

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<p>(2) Inside directors shall be elected at the Meeting among the persons recommended by the President with consent of the Board of Directors. In any of the following cases, the President may propose dismissal of an inside director to the Meeting with consent of the Board of Directors. In such case, the relevant inside director shall not participate in the resolution of the Board of Directors.</p> <p>1. when an inside director contracts a physical or mental disease which may make such inside director incapable of performing his/her duties at least one (1) year; or</p> <p>2. when an inside director's achievement is severely unsatisfactory due to significant deficiency in his/her ability to perform duties.</p> <p>(3) Notwithstanding Paragraph (2) above, if a president candidate is recommended by the President Candidate Recommendation Committee, candidates for inside directors shall be recommended by such president candidate with consent of the Board of Directors. In such case, inside directors shall not participate in the resolution of the Board of Directors. However, if the president candidate fails to be elected as the President at the Meeting, those candidates for inside directors recommended by such president candidate shall no longer be eligible as candidates for inside directors.</p> <p>(4) Members of the Audit Committee, who are not independent non-executive directors pursuant to Article 34-3, shall meet the requirements set forth in Article 542-11(3) of the Commercial Code.</p>	<p>(2) Inside directors shall be elected at the Meeting among the persons recommended by the President with consent of the Board of Directors. In any of the following cases, the President may propose dismissal of an inside director to the Meeting with consent of the Board of Directors. In such case, the relevant inside director shall not participate in the resolution of the Board of Directors.</p> <p>1. when an inside director contracts a physical or mental disease which may make such inside director incapable of performing his/her duties at least one (1) year; or</p> <p>2. when an inside director's achievement is severely unsatisfactory due to significant deficiency in his/her ability to perform duties.</p> <p>(3) Notwithstanding Paragraph (2) above, if a president candidate is recommended by the President Candidate Recommendation Committee, candidates for inside directors shall be recommended by such president candidate with consent of the Board of Directors. In such case, inside directors shall not participate in the resolution of the Board of Directors. However, if the president candidate fails to be elected as the President at the Meeting, those candidates for inside directors recommended by such president candidate shall no longer be eligible as candidates for inside directors.</p> <p>(4) Members of the Audit Committee, who are not independent non-executive directors pursuant to Article 34-3, shall meet the requirements set forth in Article 542-11(3) of the Commercial Code.</p>	

Before the changes	After the changes	Purpose of the changes
<p>Pursuant to Article 542-12 of the Commercial Code, the largest shareholder holding a number of voting shares exceeding three-hundredths (3/100) of the total issued and outstanding shares (except for the non-voting shares), together with its Specially Related Persons and other persons provided in the Enforcement Decree of the Commercial Code, may not exercise his or her voting rights in appointing or dismissing such members in respect of such excess shares.</p> <p>(5) Independent non-executive directors shall be elected at the Meeting among the persons recommended by the Independent Non-Executive Director Candidate Recommendation Committee upon review of the qualification of the persons who are recommended by (i) the Independent Non-Executive Director Candidate Recommendation Committee in accordance with Article 34-5, (ii) the shareholders pursuant to Article 363-2(1) or 542-6(2) of the Commercial Code and (iii) the Shareholders' Committee.</p>	<p>Pursuant to Article 542-12 of the Commercial Code, the largest shareholder holding a number of voting shares exceeding three-hundredths (3/100) of the total issued and outstanding shares (except for the non-voting shares), together with its Specially Related Persons and other persons provided in the Enforcement Decree of the Commercial Code, may not exercise his or her voting rights in appointing or dismissing such members in respect of such excess shares.</p> <p>(5) Independent non-executive directors shall be elected at the Meeting among the persons recommended by the Independent Non-Executive Director Candidate Recommendation Committee upon review of the qualification of the persons who are recommended by (i) the Independent Non-Executive Director Candidate Recommendation Committee in accordance with Article 34-5, (ii) the shareholders pursuant to Article 363-2(1) or 542-6(2) of the Commercial Code.</p>	
<p>Article 27 (Term of Office)</p> <p>(1) The term of office of the directors shall be determined at the Meeting to an extent not exceeding three (3) years, and the term of office of an independent non-executive director elected to fill a vacancy shall be the remainder of the term of office of his or her predecessor. <i>Provided, however,</i> that the term of office shall be extended until the close of the Annual Meeting convened in respect of the last fiscal year during such term of office if it expires before the Annual Meeting.</p>	<p>Article 27 (Term of Office)</p> <p>(1) The term of office of the directors shall be determined at the Meeting to an extent not exceeding three (3) years, and the term of office of an independent non-executive director elected to fill a vacancy shall be the remainder of the term of office of his or her predecessor. <i>Provided, however,</i> that the term of office shall be extended until the close of the Annual Meeting convened in respect of the last fiscal year during such term of office if it expires before the Annual Meeting.</p>	<p>Stylistic changes in Korean</p>

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<p>Article 28 (Duties of President and Inside Directors)</p> <p>(2) The inside directors and the executive officers shall assist the President. In the event that the President is absent, one of them shall act as the President in accordance with the order stipulated by the Organization Regulation of the Company.</p>	<p>Article 28 (Duties of President and Inside Directors)</p> <p>(2) The inside directors and the executive officers shall assist the President. In the event that the President is absent, one of them shall act as the President in accordance with the order stipulated in the Organization Regulation of the Company.</p>	<p>Stylistic changes in Korean</p>
<p>Article 30 (Remuneration)</p> <p>(1) The remuneration for directors shall be determined by a resolution of the Board of Directors within the scope adopted at the Meeting; <i>provided, however, that</i> the President and the inside directors shall not participate in the resolution of the Board of Directors in determining remuneration for the President and the inside directors.</p>	<p>Article 30 (Remuneration)</p> <p>(1) The remuneration for directors shall be determined by a resolution of the Board of Directors within the scope adopted at the Meeting; <i>provided, however, that</i> the President and the inside directors shall not participate in the resolution of the Board of Directors in determining remuneration for the President and the inside directors.</p>	<p>Stylistic changes in Korean</p>
<p>Article 31 (Severance Pay)</p> <p>Severance pay for the President and the inside directors shall be paid in accordance with the Regulation on Severance Pay for Inside Directors adopted by a resolution of the Meeting.</p>	<p>Article 31 (Severance Pay)</p> <p>Severance pay for the President and the inside directors shall be paid in accordance with the Regulation on Severance Pay for Inside Directors adopted by a resolution of the Meeting.</p>	<p>Stylistic changes in Korean</p>
<p>Article 32 (President Candidate Recommendation Committee)</p> <p>(1) The Company shall have the President Candidate Recommendation Committee, a non-standing committee in the Board of Directors, consisting of the following seven (7) or less members by a resolution of the Board of Directors. In such case, the President and the inside directors shall not participate in the resolution of the Board of Directors.</p> <p>1. six (6) or less independent non-executive directors determined by the Board of Directors consisting of</p>	<p>Article 32 (President Candidate Recommendation Committee)</p> <p>(1) The Company shall have the President Candidate Recommendation Committee, a non-standing committee in the Board of Directors, consisting of seven (7) or less members in the following order by a resolution of the Board of Directors. In such case, the President and the inside directors shall not participate in the resolution of the Board of Directors.</p> <p>1. six (6) or less independent non-executive directors determined by the Board of Directors consisting of</p>	<p>Stylistic changes in Korean</p> <p>The adoption of the advanced procedures for recommending a president candidate for systematic improvement</p>

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<p>independent non-executive directors; 2. one (1) incumbent President; <i>provided, however, that</i> if the incumbent President desires to become a president candidate or is absent, one (1) independent non-executive director shall be appointed by the Board of Directors consisting of independent non-executive directors. A member of the President Candidate Recommendation Committee shall not be eligible for a president candidate.</p> <p>(2) (Omitted)</p> <p>(3) All resolutions at the President Candidate Recommendation Committee shall be made by an affirmative vote of a majority of the members in office.</p> <p>(4) The Company shall establish the President Candidate Recommendation Committee by a resolution of the Board of Directors within sixty (60) days prior to the expiration of the President’s term. The President Candidate Recommendation Committee shall be deemed to have dissolved upon a resolution adopted at the Meeting to elect a president candidate as the President. However, if the President should be elected to fill a vacancy before the expiration of the term of office of his or her predecessor, the President Candidate Recommendation Committee shall be established within thirty (30) days of the date of dismissal or vacancy.</p> <p>(5) The President Candidate Recommendation Committee shall recommend a president candidate to</p>	<p>independent non-executive directors; 2. one (1) incumbent President; <i>provided, however, that</i> if the incumbent President desires to become a president candidate or is absent, one (1) independent non-executive director shall be appointed by the Board of Directors consisting of independent non-executive directors. A member of the President Candidate Recommendation Committee shall not be eligible for a president candidate that is recommended by the Committee.</p> <p>(2) (Same as before)</p> <p>(3) All resolutions at the President Candidate Recommendation Committee shall be made by an affirmative vote of a majority of the members in office.</p> <p>(4) The Company shall establish the President Candidate Recommendation Committee by a resolution of the Board of Directors within sixty (60) days prior to the expiration of the President’s term. The President Candidate Recommendation Committee shall be deemed to have dissolved when a resolution is adopted at the Meeting to elect a president candidate as the President and the management contract is executed. However, if the President should be elected due to an early dismissal or vacancy during the term of office of the predecessor, the President Candidate Recommendation Committee shall be established within thirty (30) days of the date of dismissal or vacancy.</p> <p>(5) When the Governance Committee has searched and recommended those persons who are</p>	

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<p>the Meeting after examining the president candidate at the meeting of Board of Directors constituted of independent non-executive directors in accordance with the standards concerning the president candidate determined in consideration of the following factors; <i>provided, however</i>, that the President Candidate Recommendation Committee shall report the result thereof to the Board of Directors before recommending the president candidate to the Meeting.</p>	<p>deemed qualified for the President under the guidelines of the Board of Directors, the President Candidate Recommendation Committee shall select and recommend to the Meeting a president candidate after examining the recommended persons in accordance with the standards determined at the meeting of the independent non-executive directors of the Board of Directors, which shall include the following factors; <i>provided, however</i>, that the President Candidate Recommendation Committee shall report the result thereof to the Board of Directors before recommending the president candidate to the Meeting.</p>	
<p>Article 32-2 (Contract with the President)</p> <p>(2) The President Candidate Recommendation Committee shall recommend a president candidate to the Meeting after the consultation referred to in Paragraph (1) above.</p> <p>(3) If the president candidate is elected as the President at the Meeting after such president candidate is recommended in accordance with Paragraph (2) above, the chairman of the President Candidate Recommendation Committee, as a representative of the Company, shall enter into an employment contract with the President.</p> <p>(4) The Board of Directors may evaluate the performance of the contract entered into with the President in accordance with Paragraph (3) above, or request an independent agency to evaluate the</p>	<p>Article 32-2 (Management contract with the President, etc.)</p> <p>(2) The President Candidate Recommendation Committee shall recommend a president candidate to the Meeting after the consultation referred to in Paragraph (1) above.</p> <p>(3) If the president candidate is elected as the President at the Meeting after such president candidate is recommended, the chairman of the President Candidate Recommendation Committee, as a representative of the Company, shall enter into an employment contract with the President.</p> <p>(4) The Board of Directors may evaluate the performance of the contract entered into with the President in accordance with Paragraph (3) above, or request an independent agency to evaluate the</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
performance of the management agreement. If the Board of Directors deems the performance of the contract by the President unsatisfactory, the Board of Directors may propose dismissal of the President to the Meeting. In such case, the President and inside directors shall not participate in the resolution of the Board of Directors.	performance of the management contract. If the Board of Directors deems the performance of the contract by the President unsatisfactory, the Board of Directors may propose dismissal of the President to the Meeting. In such case, the President and inside directors shall not participate in the resolution of the Board of Directors.	
<p>Article 33 (Qualification of Independent Non-Executive Directors)</p> <p>Independent non-executive directors shall be appointed among persons who are independent, well qualified and sufficiently experienced in the field of economics, business management, law, or relevant technology. And as there is no disqualification as set forth by the relevant laws with independence.</p>	<p>Article 33 (Qualification of Independent Non-Executive Directors)</p> <p>Independent non-executive directors shall be appointed among persons who are independent, well qualified and sufficiently experienced in the field of economics, business management, law, or relevant technology. And as there is no disqualification as set forth by the relevant laws with independence.</p>	Stylistic changes in Korean
<p>Article 34 (Composition and Operation of the Board of Directors)</p> <p>(1) The Board of Directors shall be composed of the President and the directors, and it shall resolve important matters relating to the management of the Company.</p> <p>(2) Notwithstanding Paragraph (1) above, the Board of Directors may be composed of the directors, exclusive of the President or the inside directors, if the President or the inside directors are prohibited from participating in the resolution of the Board of Directors under these Articles of Incorporation.</p> <p>(3) (Omitted)</p> <p>(4) The chairman of the Board of Directors may convene the meeting of the Board of Directors. The</p>	<p>Article 34 (Composition and Operation of the Board of Directors)</p> <p>(1) The Board of Directors shall be composed of the directors, and it shall resolve important matters relating to the management of the Company.</p> <p>(2) Notwithstanding Paragraph (1) above, the Board of Directors may be composed of the directors, exclusive of the President or the inside directors, if the President or the inside directors are prohibited from participating in the resolution of the Board of Directors under these Articles of Incorporation.</p> <p>(3) (Same as before)</p> <p>(4) The chairman of the Board of Directors may convene the meeting of the Board of Directors. The</p>	<p>The clarification of the meaning</p> <p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>chairman of the Board of Directors also shall convene the meeting of the Board of Directors if any director or the Audit Committee so requests and, in the event that the chairman of the Board of Directors does not convene the meeting of the Board of Directors without a justifiable reason, one of the directors or the Audit Committee may convene such meeting.</p> <p>(5) Notice of the meeting of the Board of Directors shall be given to each director three (3) days prior to the meeting; <i>provided, however</i>, that the above period may be omitted with the consent of all directors before any such meeting.</p> <p>(6) For the efficient operation of the Board of Directors, the Board of Directors shall evaluate its own performance and the details thereof shall be determined by a resolution of the Board of Directors.</p>	<p>chairman of the Board of Directors also shall convene the meeting of the Board of Directors if any director or the Audit Committee so requests and, in the event that the chairman of the Board of Directors does not convene the meeting of the Board of Directors without a justifiable reason, one of the directors or the Audit Committee may convene such meeting.</p> <p>(5) Notice of the meeting of the Board of Directors shall be given to each director three (3) days prior to the meeting; <i>provided, however</i>, that the above period may be omitted with the consent of all directors before any such meeting.</p> <p>(6) For the efficient operation of the Board of Directors, the Board of Directors shall evaluate its own performance and the details thereof shall be determined by a resolution of the Board of Directors.</p>	
<p>Article 34-2 (Committees)</p> <p>(1) The Company shall establish committees such as the Audit Committee and the Independent Non-Executive Director Candidate Recommendation Committee within the Board of Directors and, if deemed necessary, the Company may establish any other committees by a resolution of the Board of Directors. Each Committee shall appoint its respective representative by a resolution thereof.</p> <p>(2) Matters regarding the composition, power and operation of the committees shall be determined by a resolution of the Board of Directors.</p>	<p>Article 34-2 (Committees)</p> <p>(1) The Company shall establish committees such as the Audit Committee and the Independent Non-Executive Director Candidate Recommendation Committee within the Board of Directors and, if deemed necessary, the Company may establish any other committees by a resolution of the Board of Directors. Each Committee shall appoint its respective representative by a resolution thereof.</p> <p>(2) Matters regarding the composition, power and operation of the committees shall be determined by a resolution of the Board of Directors.</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>Article 34-4 (Duties of the Audit Committee)</p> <p>(2) The Audit Committee may request the chairman of the Board of Directors (meaning a person entitled to convene a meeting of the Board of Directors; hereinafter the same shall apply) to convene a meeting of the Board of Directors by submitting documents stating the agenda and reasons for convening such meeting.</p> <p>(3) If the chairman of the Board of Directors does not immediately convene the meeting of the Board of Directors notwithstanding the request pursuant to Paragraph (2) above, the Audit Committee may convene such meeting.</p> <p>(4) The Audit Committee shall inspect the agenda of, and documents submitted to, the Meeting and express its opinion to the Meeting as to whether there is a violation of the laws or breach of these Articles of Incorporation or any substantially unreasonable matter.</p> <p>(5) (Omitted)</p> <p>(6) In addition to the matters referred to in Paragraphs (1) through (3), the Audit Committee shall carry out such matters as set forth to be handled by the Audit Committee under the relevant laws or as delegated by the Board of Directors. Those matters, once resolved by the Audit Committee, shall not be re-resolved by the Board of Directors.</p>	<p>Article 34-4 (Duties of the Audit Committee)</p> <p>(2) The Audit Committee may request the chairman of the Board of Directors (meaning a person entitled to convene a meeting of the Board of Directors; hereinafter the same shall apply) to convene a meeting of the Board of Directors by submitting documents stating the agenda and reasons for convening such meeting.</p> <p>(3) If the chairman of the Board of Directors does not immediately convene the meeting of the Board of Directors notwithstanding the request pursuant to Paragraph (2) above, the Audit Committee may convene such meeting.</p> <p>(4) The Audit Committee shall inspect the agenda of, and documents submitted to, the Meeting and express its opinion to the Meeting as to whether there is a violation of the laws or breach of these Articles of Incorporation or any substantially unreasonable matter.</p> <p>(5) (Same as before)</p> <p>(6) In addition to the matters referred to in Paragraphs (1) through (5), the Audit Committee shall carry out such matters as set forth to be handled by the Audit Committee under the relevant laws or as delegated by the Board of Directors. Those matters, once resolved by the Audit Committee, shall not be re-resolved by the Board of Directors.</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>Article 34-5 (Independent Non-Executive Director Candidate Recommendation Committee)</p> <p>(1) The Independent Non-Executive Director Candidate Recommendation Committee shall be composed of three (3) or more members, and at least one half (1/2) of the members of the Independent Non-Executive Director Candidate Recommendation Committee shall be the independent non-executive directors.</p> <p>(2) The Independent Non-Executive Director Candidate Recommendation Committee shall perform the following duties:</p> <ol style="list-style-type: none"> 1. examination of qualification and recommendation of independent non-executive director candidates; and 2. other matters delegated by the Board of Directors. 	<p>Article 34-5 (Independent Non-Executive Director Candidate Recommendation Committee)</p> <p>(1) The Independent Non-Executive Director Candidate Recommendation Committee shall be composed of three (3) or more members, and at least one half (1/2) of the members of the Independent Non-Executive Director Candidate Recommendation Committee shall be the independent non-executive directors.</p> <p>(2) The Independent Non-Executive Director Candidate Recommendation Committee shall perform the following duties:</p> <ol style="list-style-type: none"> 1. examination of qualification and recommendation of independent non-executive director candidates; and 2. other matters delegated by the Board of Directors. 	<p>Stylistic changes in Korean</p>
<p>Article 35 (Chairman of the Board of Directors)</p> <p>(1) The chairman of the Board of Directors of the Company shall be appointed from the Independent Non-Executive Directors by a resolution of the Board of Directors.</p>	<p>Article 35 (Chairman of the Board of Directors)</p> <p>(1) The chairman of the Board of Directors of the Company shall be appointed from the Independent Non-Executive Directors by a resolution of the Board of Directors.</p>	<p>Stylistic changes in Korean</p>
<p>Article 36 (Method of Resolution)</p> <p>(1) A quorum for the holding of a meeting of the Board of Directors shall be at least a majority of all the directors. All resolutions at a meeting of the Board of Directors shall be adopted by an affirmative vote of a majority of the directors present at the meeting. However, resolutions to dismiss the President and the inside director(s) shall be adopted by an affirmative vote of two thirds (2/3) of the independent non-executive directors, and</p>	<p>Article 36 (Method of Resolution)</p> <p>(1) A quorum for the holding of a meeting of the Board of Directors shall be at least a majority of all the directors. All resolutions at a meeting of the Board of Directors shall be adopted by an affirmative vote of a majority of the directors present at the meeting. However, resolutions to dismiss the President and the inside director(s) shall be adopted by an affirmative vote of two thirds (2/3) or more of the independent non-executive directors,</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>resolutions to approve appropriation of a business opportunity or assets of the Company or transactions between the Company and its director et al. shall be adopted by an affirmative vote of two thirds (2/3) of the directors.</p> <p>(2) All or part of the directors may participate in resolution at a meeting of the Board of Directors by means of a telecommunication equipment whereby voice of all persons participating in the meeting can be simultaneously transmitted, without their physical presence. In such case, a director participating in the meeting by such arrangement shall be deemed present at the meeting.</p> <p>(3) The matters for review and resolution by the Board of Directors and the operation of the Board of Directors shall be governed by the Regulations on the Board of Directors adopted by a resolution of the Board of Directors.</p>	<p>and resolutions to approve appropriation of a business opportunity or assets of the Company or transactions between the Company and its director et al. shall be adopted by an affirmative vote of two thirds (2/3) or more of the directors.</p> <p>(2) All or part of the directors may participate in resolution at a meeting of the Board of Directors by means of a telecommunication equipment whereby voice of all persons participating in the meeting can be simultaneously transmitted, without their physical presence. In such case, a director participating in the meeting by such arrangement shall be deemed present at the meeting.</p> <p>(3) The matters for review and resolution by the Board of Directors and the operation of the Board of Directors shall be governed by the Regulations on the Board of Directors adopted by a resolution of the Board of Directors.</p>	
<p>Article 37 (Minutes of the Board of Directors)</p> <p>The agenda, substance of proceedings and results of the meeting of the Board of Directors, and the dissenting officer and the reason of dissent shall be recorded in the minutes, which shall bear the names and seals or signatures of the chairman of the meeting of the Board of Directors and of the directors present at the meeting.</p>	<p>Article 37 (Minutes of the Board of Directors)</p> <p>The agenda, substance of proceedings and results of the meeting of the Board of Directors, and the dissenting officer and the reason of dissent shall be recorded in the minutes, which shall bear the names and seals or signatures of the chairman of the meeting of the Board of Directors and of the directors present at the meeting.</p>	<p>Stylistic changes in Korean</p>
<p>Article 38 (Executive Officers)</p> <p>(2) The executive officers in Paragraph (1) above shall be appointed by the President and the terms of such executive officers shall</p>	<p>Article 38 (Executive Officers)</p> <p>(2) The executive officers in Paragraph (1) above shall be appointed by the President and the terms of such executive officers shall</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>be three (3) years or less.</p> <p>(3) The remuneration and bonus for executive officers shall be determined pursuant to the regulations established by the Board of Directors and severance pay for executive officers shall be paid in accordance with the Regulations on Severance Pay for Executive Directors adopted by a resolution of the Meeting.</p>	<p>be three (3) years or less.</p> <p>(3) The remuneration and bonus for executive officers shall be determined pursuant to the regulations established by the Board of Directors and severance pay for executive officers shall be paid in accordance with the Regulations on Severance Pay for Executive Directors adopted by a resolution of the Meeting.</p>	
<p>Article 38-2 (In-house Advisors)</p> <p>In order to obtain the advice for the material matters related to the business operation of the Company, the President may appoint as in-house advisors the persons who were the former Presidents, inside directors and executive officers having sufficient experiences in the management of the Company or the persons who are necessary to establish the management policy of the Company.</p>	<p>Article 38-2 (In-house Advisors)</p> <p>In order to obtain the advice for the material matters related to the business operation of the Company, the President may appoint as in-house advisors the persons who were the former Presidents, inside directors and executive officers having sufficient experiences in the management of the Company or the persons who are necessary to establish the management policy of the Company.</p>	<p>Stylistic changes in Korean</p>
<p>Article 41 (Submission, Approval and Announcement of Financial Statements)</p> <p>(1) The President shall settle accounts at the end of each fiscal year and shall prepare the following documents (the “Financial Statements”), their supplementary schedules and a business report. The President shall submit them to the Audit Committee, after the approval of the Board of Directors, six (6) weeks before the day set for the Annual Meeting.</p> <p>1.~2. (Omitted)</p> <p>3. such other documents showing the financial condition and business performance of the Company as set forth by the Enforcement Decree of the Commercial Code; and</p> <p>4. consolidated financial statements.</p>	<p>Article 41 (Submission, Approval and Announcement of Financial Statements)</p> <p>(1) The President shall settle accounts at the end of each fiscal year and shall prepare the following documents (the “Financial Statements”), their supplementary schedules and a business report. The President shall submit them to the Audit Committee, after the approval of the Board of Directors, six (6) weeks before the day set for the Annual Meeting.</p> <p>1.~2. (Same as before)</p> <p>3. consolidated financial statements, and</p> <p>4. such other documents showing the</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
<p>(2), (3) (Omitted)</p> <p>(4) If the approval set forth in Paragraph (3) above is obtained, the President shall, without delay, give public notice of the balance sheet and the independent auditor's opinion.</p> <p>(5) The President shall keep the Financial Statements, the business report and the audit report at the head office of the Company for five (5) years and certified copies of all of such documents at the branches of the Company for three (3) years beginning from one (1) week before the date set for the Annual Meeting.</p>	<p>financial condition and business performance of the Company as set forth by the Enforcement Decree of the Commercial Code;</p> <p>(2), (3) (Same as before)</p> <p>(4) If the approval set forth in Paragraph (3) above is obtained, the President shall, without delay, give public notice of the balance sheet and the independent auditor's opinion.</p> <p>(5) The President shall keep the Financial Statements, the business report and the audit report at the head office of the Company for five (5) years and certified copies of all of such documents at the branches of the Company for three (3) years beginning from one (1) week before the date set for the Annual Meeting.</p>	
<p>Article 42 (Disposition of Profit)</p> <p>The Company shall dispose of the unappropriated retained earnings in the following order; <i>provided, however,</i> that any other items may be disposed of by a resolution adopted at the Meeting;</p> <ol style="list-style-type: none"> 1. earned surplus reserves (legal reserves under the Commercial Code); 2. other statutory reserves; 3.~4. (Omitted) 5. other appropriation of retained earnings; and 6. (Omitted) 	<p>Article 42 (Disposition of Profit)</p> <p>The Company shall dispose of the unappropriated retained earnings in the following order; <i>provided, however,</i> that any other items may be disposed of by a resolution adopted at the Meeting;</p> <ol style="list-style-type: none"> 1. earned surplus reserves (legal reserves under the Commercial Code); 2. statutory reserves; 3.~4. (Same as before) 5. appropriation of retained earnings; and 6. (Same as before) 	<p>Stylistic changes in Korean</p>
<p>Article 43 (Dividends)</p> <p>(5) Dividends in Paragraph (1) above shall be paid to the shareholders or pledgees registered in the shareholders' registry as of the last day of each fiscal year and interim dividends in Paragraph (3) above shall be paid to the shareholders or pledgees registered in the</p>	<p>Article 43 (Dividends)</p> <p>(5) Dividends in Paragraph (1) above shall be paid to the shareholders or pledgees registered in the shareholders' registry as of the last day of each fiscal year and interim dividends in Paragraph (3) above shall be paid to the shareholders or pledgees registered in the</p>	<p>Stylistic changes in Korean</p>

Before the changes	After the changes	Purpose of the changes
shareholders' registry as of the record date for interim dividends; <i>provided, however,</i> that the interest on dividends or interim dividends shall not be paid.	shareholders' registry as of the record date for interim dividends; <i>provided, however,</i> that the interest on dividends or interim dividends shall not be paid.	
Article 43-2 (Retirement of Shares) (1) The Company may retire the shares within the scope of profits attributable to the shareholders as prescribed in the relevant laws by a resolution of the Board of Directors.	Article 43-2 (Retirement of Shares) (1) The Company may retire the treasury shares by a resolution of the Board of Directors as prescribed in the relevant laws.	Reflection of The Commercial Code
(Newly inserted)	Addendum (March 29, 2022) These Articles of Incorporation shall be effective from the date of the resolution or the Meeting	Statement of the effective date

Agenda No. 3

Appointment of Outside Directors (2 Nominees)

Pursuant to Article 382 of the Korean Commercial Act and Article 26 of the Articles of Incorporation of the Company, the Company intends to appoint Outside Directors as follows:

3-1 Appointment of Outside Director Kwan-soo, Shon

A. Name, Date of Birth, Nominator, Relationship with the Largest Shareholder and whether they are a Candidate to become an Outside Director

Name	Date of Birth	Candidate to become an Outside Director	Separate election as an Audit Committee Outside Director	Term of Office	Relationship with the Largest Shareholder	Nominator
Kwan-soo, Shon	Oct. 1, 1960	Outside Director	-	The next day of 2022 AGM ~ The date of 2025 AGM	N/A	Outside Director Candidate Recommendation Committee

B. The Candidate's Main Occupation, Profile and Details of Recent Three-year Deals with the Corporation

Name	Main Occupation	Profile		Details of Recent Three-year deals With the Corporation
		Period	Contents	
Kwan-soo, Shon	President of Korea Automobile Racing Association(KARA)	Feb. 2019~Dec.2021	(Former) Advisor, CJ Logistics	N/A
		Dec. 2014~Jan. 2019	(Former) Co-President(Co-CEO), CJ Logistics	
		Oct. 2013~Nov. 2014	(Former) Director of Human Resources Development, CJ	
		Jan. 2012~Oct. 2013	(Former) President(CEO), CJ GLS	
		Jan. 2010~Jan. 2012	(Former) Vice President, CJ GLS	
		Apr. 2006~Jan. 2010	(Former) Director, CJ GLS	
		Apr. 2004~Apr. 2006	(Former) Vice President, Orange Display	
		Jul. 2001~Mar. 2004	(Former) Vice President, IDS	
		Jan. 1998~Jul. 2001	(Former) Team Leader of Human Resources, Samsung Motors	

C. The Candidate's Taxes in Arrears, Management of Insolvent Companies and Statutory Reasons for Disqualification

Name	Taxes in Arrears	Management of Insolvent Companies	Statutory Reasons for Disqualification
Kwan-soo, Shon	N/A	N/A	N/A

D. Duty Performance Plan of Nominee

I have cumulated a variety of capabilities as a professional manager during my post as the CEO of a major logistics company in Korea. I will support the board with my knowledge and experience in the area to contribute to the growth and development of KT&G.

Also, I will serve as a supervisor of the managerial activities of the company through active performance of the duties as a member of the board, while I actively participate in the pursuit of benefits for the company and shareholders as a supporter of KT&G.

Lastly, I am aware of and will comply with my legal duties as an outside director including duty of care, duty of good faith, duty to monitor and duty of confidentiality.

E. Purpose of Nomination by the Board of Directors

Nominee Kwan-soo Shon is an expert in logistics with experience of leading the global growth of a logistics firm within the CJ Group. He is evaluated as a professional manager that has performed consumer-centric management and generated excellent management results.

Mr. Shon possesses a prominent risk resolution ability and extensive experience in corporate management as he led M&As actively for domestic and offshore companies. He holds independence and fairness that prevents him from being swayed by certain interests in his role as he has demonstrated during his post as the president of the Korea Port Logistics Association (Feb 2016 – Feb 2019) where he established a fair trade order in the port loading market.

We hereby recommend Kwan-soo Shon as the nominee for outside director at KT&G as it is determined that he will contribute to the drive in new businesses and decision-making in strategic investment with his deep understanding of a business.

3-2 Appointment of Outside Director Jee-hee, Lee

A. Name, Date of Birth, Nominator, Relationship with the Largest Shareholder and whether they are a Candidate to become an Outside Director

Name	Date of Birth	Candidate to become an Outside Director	Separate election as an Audit Committee Outside Director	Term of Office	Relationship with the Largest Shareholder	Nominator
Jee-hee, Lee	Jun. 30, 1961	Outside Director	-	The next day of 2022 AGM ~ The date of 2025 AGM	N/A	Outside Director Recommendation Committee

B. The Candidate's Main Occupation, Profile and Details of Recent Three-year Deals with the Corporation

Name	Main Occupation	Profile		Details of Recent Three-year deals With the Corporation
		Period	Contents	
Jee-hee, Lee	President(CEO), W camp	Feb. 2018~Feb. 2022 Feb. 2016~Aug. 2017 2011~2015 Mar. 2010~Jan. 2016 2005~2015 Sep. 2000 May. 2000 Jan. 1999~Jan. 2010 Apr. 1984~Dec. 1998	(Former) President(CEO), W works (Former) Adjunct Professor of Advertising, Chung-Ang University (Former) Judge of AD STARS (Former) Co-President(Co-CEO), POSTVISUAL (Former) Judge of Korea Advertising Awards (Former) Judge of Asia Pacific AD FEST (Former) Judge of Clio Awards (Former) ECD & Vice President, Welcomm (Former) Copywriter & Creative Director, Oricom	N/A

C. The Candidate's Taxes in Arrears, Management of Insolvent Companies and Statutory Reasons for Disqualification

Name	Taxes in Arrears	Management of Insolvent Companies	Statutory Reasons for Disqualification
Jee-hee, Lee	N/A	N/A	N/A

D. Duty Performance Plan of Nominee

As I worked for a major Korean advertising agency as vice president and a digital advertising company as CEO, I have a comprehensive understanding of traditional advertising channels and digital media with diverse career in the advertising field. I will contribute to continuous growth of the company by actively providing business advice based on my expertise in the relevant field.

Also, I will faithfully perform my responsibilities and duties at an independent position as an outside director in order to promote well-balanced interests of relevant stakeholders and I will also work hard to make reasonable decisions.

Lastly, I'm well aware of my duties as an outside director including duty of care, duty of loyalty, duty of oversight, duty of confidentiality based on relevant legislations, and I will strictly comply with them.

E. Purpose of Nomination by the Board of Directors

Jee-hee Lee is an advertising expert who has worked in the advertising field for about 38 years with experience of working as a judge in multiple international advertising festivals, and she raised the status of the Korean advertising industry by receiving awards in prestigious advertising festivals.

Also, thanks to her experience working as a general director in charge of a wide range of tasks from product development of various consumer goods such as cosmetics, home appliances, cars to their naming, design, branding and communication, she has remarkable insights in the consumers and markets.

As it is determined that Jee-hee Lee will not only contribute greatly to the establishment of the company's strategy on global marketing and communication, the committee recommends Jee-hee Lee as a nominee for an independent non-executive director of KT&G.

Agenda No. 4

Appointment of the Member of the Audit Committee (Kwan-soo, Shon)

Pursuant to Articles 542-11 and 542-12 of the Korean Commercial Act and Article 34-3 of the Articles of Incorporation of the Company, the Company intends to appoint Members of the Audit Committee as follows:

A. Name, Date of Birth, Nominator, Relationship with the Largest Shareholder and whether they are a Candidate to become an Outside Director

Name	Date of Birth	Candidate to become an Outside Director	Separate election as an Audit Committee Outside Director	Term of Office	Relationship with the Largest Shareholder	Nominator
Kwan-soo, Shon	Oct. 1, 1960	Outside Director	-	The next day of 2022 AGM ~ The date of 2025 AGM	N/A	Board of Directors (B.O.D.)

B. The Candidate's Main Occupation, Profile and Details of Recent Three-year Deals with the Corporation

Name	Main Occupation	Profile		Details of Recent Three-year deals With the Corporation
		Period	Contents	
Kwan-soo, Shon	President of Korea Automobile Racing Association(KARA)	Feb. 2019~Dec.2021 Dec. 2014~Jan. 2019 Oct. 2013~Nov. 2014 Jan. 2012~Oct. 2013 Jan. 2010~Jan. 2012 Apr. 2006~Jan. 2010 Apr. 2004~Apr. 2006 Jul. 2001~Mar. 2004 Jan. 1998~Jul. 2001	(Former) Advisor, CJ Logistics (Former) Co-President(Co-CEO), CJ Logistics (Former) Director of Human Resources Development, CJ (Former) President(CEO), CJ GLS (Former) Vice President, CJ GLS (Former) Director, CJ GLS (Former) Vice President, Orange Display (Former) Vice President, IDS (Former) Team Leader of Human Resources, Samsung Motors	N/A

C. The Candidate’s Taxes in Arrears, Management of Insolvent Companies and Statutory Reasons for Disqualification

Name	Taxes in Arrears	Management of Insolvent Companies	Statutory Reasons for Disqualification
Kwan-soo, Shon	N/A	N/A	N/A

D. Purpose of Nonination by the Board of Directors

Nominee Kwan-soo Shon is an expert in logistics with experience of leading the global growth of a logistics firm within the CJ Group. He is evaluated as a professional manager that has performed consumer-centric management and generated excellent management results.

Mr. Shon possesses a prominent risk resolution ability and extensive experience in corporate management as he led M&As actively for domestic and offshore companies. He holds independence and fairness that prevents him from being swayed by certain interests in his role as he has demonstrated during his post as the president of the Korea Port Logistics Association (Feb 2016 – Feb 2019) where he established a fair trade order in the port loading market.

We hereby recommend Kwan-soo Shon as a nominee for a member of the Audit Committee at KT&G as it is determined that with his extensive knowledge and experience on overall business management he will contribute to the activities of the Audit Committee where independence and objectivity is required.

Agenda No. 5

Approval of the Ceiling Amount of Directors' Remuneration

Pursuant to Article 388 of the Korean Commercial Act and Article 30 of the Articles of Incorporation of the Company, we intend to obtain Approval of the Ceiling Amount of Directors' Remuneration as follows:

[For the 36th Fiscal Year(2022)]

Number of Directors (Number of Outside Directors)	8 (6)
Ceiling Amount of Directors' Remuneration	5,000 million won

[For the 35th Fiscal Year(2021)]

Number of Directors (Number of Outside Directors)	8(6)
Total Amount Paid	4,385 million won
Ceiling Amount of Directors' Remuneration	5,000 million won

- ※ The 'Number of Directors (Number of Outside Directors)' above refers to the number of incumbent directors at the end of each year.
- ※ The 'Total Amount Paid' above is the total amount of remuneration paid to all directors incumbent between Jan 1 and December 31 of 2021 and does not include the retirement benefits paid to inside directors retired by expiry of term in accordance with 「Regulation on Severance Pay for Inside Directors」 and 「Regulation on Severance Pay for Executive Directors」 approved separately by a general meeting of shareholders.