

Regulations of the ESG Committee

Version 2.0



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	Title	
	<h2 style="margin: 0;">Regulations of the ESG Committee</h2>	
	Document #: SK bioscience -Basic regulations	Version #: 2.0 Issue Date: April 27, 2022

Adoption and Amendment History

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CHAPTER 1. GENERAL PROVISIONS

Article 1. Objective

The objective of these regulations shall be to set forth the matters necessary for efficient operation of the “ESG Committee” (hereinafter referred to as the “Committee”) in accordance with the Articles of Incorporation and the Regulations of the Board of Directors of “SK bioscience Co., Ltd.” (hereinafter referred to as the “Company”).

Article 2. Scope of Application

Matters related to the Committee shall be governed by regulations set forth herein, except for those matters prescribed by the relevant laws and regulations, the Articles of Incorporation or the Regulations of the Board of Directors.

Article 3. Duties and Authority

- ① The Committee shall find and identify various subjects and issues related to the Company’s ESG operation based on the Committee's expertise, then provide advice and reviews on management strategies and directions for the Company's sustainable growth to the Board of Directors.
- ② The Committee shall determine objectives for ESG-related activities and review the detailed action plans in consideration of environmental management and social responsibility management policies.
- ③ The Committee shall implement and improve an appropriate risk management framework to identify and evaluate risks and opportunities in ESG-related areas, and review strategies for responding to financial and non-financial risks and opportunities.

CHAPTER 2. COMPOSITION

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Article 4. Composition

- ① Appointment of the Committee Member (hereinafter referred to as the “Member”) shall be appointed by the Board of Directors.
- ② The appointment and dismissal of the Members shall be determined by a resolution of the Board of Directors.
- ③ The term of the Members shall be the term of the directors in office; provided, however, the term of such Members may be adjusted by a resolution of the Board of Directors.
- ④ The Committee shall be comprised of more than three (3) directors, and the majority of the Members shall be composed of outside directors.

Article 5. Chairperson

- ① Chairperson of the Committee shall be appointed by the Committee, and the Chairperson shall be selected among outside directors.
- ② Chairperson shall represent the Committee and preside as the Chairperson at all the Committee meetings.
- ③ If the Chairperson is unable to serve as the Chairperson, another Member designated by the Committee shall perform duties of the Chairperson.

CHAPTER 3. MEETING

Article 6. Person Authorized to Convene the Meeting of the Committee

- ① The meeting of the Committee shall be convened by the Chairperson of the Committee; provided, however, that in the absence of the Chairperson, any other Member will serve as an acting Chairperson in the order stipulated in Article 5, Paragraph 3 above.
- ② Each Member may request the Chairperson to convene a meeting of the Committee, stating the agenda to be dealt with at the proposed meeting and the reason for convening such a

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meeting. If the Chairperson fails to convene the meeting of the Committee without a justifiable cause, the Member who made the request may convene the Committee's meeting.

Article 7. Convocation Procedure

- ① When convening the meeting of the Committee, the date of the meeting will be decided and notified to every Member no later than seven (7) days prior to the scheduled date of the meeting.
- ② When all Members of the Committee unanimously agree, the Committee may convene the meeting of the Committee at any time without undergoing the convocation procedures prescribed in Paragraph 1 above.

Article 8. Method of Resolution

- ① The quorum for the Committee meeting shall be a majority of all Members in office. All resolutions of the Committee shall be adopted by a majority of the Members present at the meeting.
- ② The Committee shall allow all or some Members to participate in the resolution process of the Committee through the means of communication that allows simultaneous video or audio transmission, in lieu of attending such a meeting in person; such Members shall be deemed to have attended the meeting of the Committee.

Article 9. Matters to be Reviewed

1. Annual management plan of the Company and its revision;
2. Mid- to long-term management plan of the Company and its revision;
3. Critical strategic decision making:
 - A. Investment or acquisition and disposal of assets in other corporations at a value of 2% or more of equity capital;

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- B. Investment in new facilities, facility expansion or R&D at a value of 2% or more of the Company's equity capital; and
 - C. Transfer of business at a value of 2% or more of the Company's equity capital.
4. ESG strategic directions of the Company;
 5. Results of the performance of the ESG tasks for the previous year and an implementation plan for this year;
 6. Major non-financial risks and issues related to ESG, and countermeasures to such matters;
 7. Matters related to communications from/to stakeholders, such as domestic and overseas significant ESG evaluations, etc.;
 8. Matters required to support ESG competence development and internalization;
 9. Matters related to ESG as submitted by the Chairperson; and
 10. Other major ESG or strategy issues deemed necessary for review by the Committee and matters delegated by the Board of Directors.

Article 10. Relationship with the Board of Directors

Board of Directors shall refer to the review results of the Committee but shall not be bound by such results and opinions of the Committee.

Article 11. Meeting Minutes

- ① The proceedings and discussions of the Committee shall be documented in the minutes of meeting.
- ② The minutes of meeting shall include the agenda, the substance of the proceedings of the Committee and the result thereof, name(s) of Member(s) who raise(s) an objection to the Committee resolution and the reason therefor. Names and seals of the Members present shall be affixed or signed by such persons in the minutes.

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CHAPTER 4. MISCELLANEOUS

Article 12. Secretariat

- ① The secretariat of the Committee shall be the Planning Office.
- ② The secretariat shall assist the Chairperson and administer the affairs of the Committee under the Chairperson's instructions.
- ③ The secretariat may request work status materials and information or work collaboration from related departments, including ESG, legal, finance, and human resources departments. The Committee and the secretariat shall work closely with their respective departments.
- ④ The secretariat, if deemed necessary by the Committee, shall require relevant officers and employees of the Company to attend the meeting of the Committee and request the statements of opinion.
- ⑤ The Committee and the secretariat may seek advice from external experts, etc. at the expense of the Company.

Article 13. Amendment and Deletion of the Regulations

The amendment or deletion of these Regulations is determined by a resolution of the Board of Directors.

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Addendum

Article 1. Date of Enforcement

This amended Regulations of the Committee shall be effective on and after April 27, 2022.