

Corporate Governance Charter

2022.10.26

Preamble

The goal of HL Klemove is to become a global leader by proactively responding to the rapidly changing automotive industry and create a new customer value through continuous efforts and innovation. Additionally, we will contribute to improving the sustainability of the company and society by diverse and active ESG improvement activities.

This corporate governance charter is enacted under the belief that establishing a healthy corporate governance is the foundation in securing the trust of all stakeholders and to conduct sincere management activities as a global leader.

HL Klemove will become a company that creates a sustainable future by implementing transparent and responsible management and by exerting efforts for the promotion of balanced rights and interest of the stakeholders, including shareholders, customers, employees and partner companies under the supervision of professional and independent board of directors pursuant to this corporate governance charter.

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I . Shareholders

1.1 Rights of Shareholders

① Shareholders shall have the following basic rights guaranteed by the relevant laws, including the Commercial Act, etc., as the owner.

- Right to participate in distribution of profits
- Right to attend the general meeting of shareholders and the right to vote
- Right to receive information on a regular and timely manner

②The following matters that cause fundamental changes in the Company's existence and

shareholder rights shall be decided at the general meeting of shareholders under the principle of protecting the utmost rights of the shareholders:

- Modification of the Articles of Incorporation;
- Merger, business transfer and spin-off;
- Dissolution;
- Reduction of capital; and
- Comprehensive exchange and transfer of shares, etc.

③ The shareholders' rights shall be exercised conveniently according to the free will of the shareholders. The Company shall provide the information related to the date, location and agenda, etc. of the general meeting of shareholders with sufficient time for the shareholders to exercise their rights conveniently.

1.2 Equitable Treatment of Shareholders

① Each shareholder shall have 1 vote for 1 share; provided, however, restrictions on voting rights of certain shareholders may be imposed strictly according to the relevant laws.

② The Company shall provide information necessary for the shareholders in a timely and easily accessible manner. Moreover, the information for which the Company has no obligation to disclose shall be made available to all shareholders equally.

③ The Company shall protect the shareholders from unfair internal transactions and self-dealings of other shareholders.

1.3 Responsibilities of Shareholders

① Shareholders shall exercise their voting rights proactively for the development and interest of the Company.

② The controlling shareholder shall act in the best interest of the Company and all shareholders, and shall not inflict losses to the Company and other shareholders by

acting in ways that violate this principle.

II. Board of Directors

2.1 Roles of the Board of Directors.

① The board of directors, as an organization having a comprehensive responsibility and authority on the management of the Company permitted by the relevant laws, shall perform the function of approving the management strategies, management goals and business plan for the benefit of the Company and the shareholders and to supervise the implementation thereof.

② The board of directors perform the following roles:

- Resolution on important matters related to the Company's management strategies and work progress;

- Supervising the execution of duties of the directors and executives; and

- Resolution of other matters stipulated in laws, Articles of Incorporation and the board of directors rules.

③ The board of directors may delegate the authority to the representative director or a committee, except for the important matters stipulated by laws, Articles of Incorporation or the board of directors rules.

2.2 Composition and Management of the Board of Directors

① The Company shall have three or more directors to allow diversity of opinions and efficient decision making, and the directors shall be elected at the general meeting of shareholders.

② The board of directors shall elect a chairman of the board of directors at the first board of directors meeting after the ordinary general meeting of shareholders. The chairman of the board of directors shall convene and preside over the board of directors meetings and ensure that the roles of the board of directors to be efficiently performed in all aspects.

③ The board of directors meetings shall be held on a regular basis, and extraordinary meetings may be held for urgent agendas. The board of directors rules that specifically stipulate the authority, responsibilities and management procedures of the board of directors shall be established and managed for a smooth operation of the board of directors.

2.3 Qualification and Independence of the Directors

① Directors shall qualify the stipulations of relevant laws, have the best ethics, professionalism and honesty and shall be able to represent the rights and interests of all shareholders and stakeholders.

② Directors shall dedicate sufficient time to perform his/her duties and shall have strategic mindset, realistic knowledge, mature judgment and strong sense of responsibility.

③ Directors shall not be discriminated based on gender, age, nationality, race, religion, educational level, and disability, etc., and shall contribute to improving the corporate value and the rights and interests of shareholders.

④ Outside directors shall have rich expertise and professional experience on finance, economy, management, law, accounting, etc. and be able to make independent decision, without material interest with the Company.

2.4 Election of Directors and Recommendation of Candidates

① Directors of the Company shall be elected at the general meeting of shareholders through recommendation of the board of directors.

② The Company shall exert efforts to improve the diversity of the board of directors in order to respond flexibly to the changing management environment based on diverse perspective and experience.

2.5 Roles of the Outside Directors

① Outside directors shall participate independently on the important decision-making of the Company through participating in the board of directors and supervise and support the management as a member of the board of directors.

② Outside directors may request to be provided with information necessary to perform his/her duties. Moreover, he/she may obtain advice from external professional through a proper procedure, when necessary, and the Company shall support the expenses.

③ The Company shall regularly report or provide the management information, including the status of work execution of the Company, in order for the outside directors to timely and accurately understand the management status of the Company and shall prepare and operate continuous education and training program for the outside directors.

2.6 Responsibilities of the Directors

① Directors shall perform his/her duties for the interest of the Company and shareholders with fiduciary duty and good faith, and shall not disclose the information obtained from his/her duty as a director for his/her own interest or for the benefit of a third party.

② Directors shall be liable to the Company for violating laws or Articles of Incorporation or for negligence of his/her duties, and when a director neglects his/her duties intentionally or through gross negligence, such a director shall be jointly liable to a third party for the loss. However, the directors' management decision must be fully respected if the director performed his/her duties under the belief that the decision was for the best interest of the Company through reasonable determination.

③ The Company shall subscribe to a directors and officers insurance, at the cost of the Company, in order to reduce the burden of the directors on his/her responsibilities and to obtain talented directors.

2.7 Committees Under the Board of Directors

① The board of directors may establish and operate committees under the board of

directors for professional work implementation and to increase efficiency in its management.

② Composition and operations, etc. of the committees shall be stipulated in the rules of each committee separately established.

③ The committee shall report to the board of directors on the resolved matters, and the board of directors may re-resolve on matters already resolved by the committee.

III. Audit Institution

3.1 Auditor

① Auditor shall audit financial reports of the corporation and observe relevant laws and ordinances.

② Auditor reviews financial statements of the corporation and submits examination opinion in a general meeting of shareholders.

③ Auditor could attend a Board of Directors Meetings.

④ The result about auditor's opinion shall be putted in minutes of the board of directors, Auditor shall sign that minutes of the board of directors.

3.2 External Auditor

① External auditor shall fairly perform the audit duties independently from the Company, management and specific shareholders, etc.

② External auditor shall be selected by the audit committee, and shall report to the audit committee on important matters confirmed during the external audit activities.

③ External auditor shall attend the general meeting of shareholders and answer any questions of the shareholders related to the audit report.

IV. Stakeholders

- ① The Company shall fully implement the corporate social responsibility under the belief that diligently resolving the matters of interest by all interested parties, including the customers, employees, partner companies, community, etc., contributes to improving the shareholder value in the long-term.
- ② The Company shall exert best efforts to fully protect the rights and interests of the stakeholders under the laws or contracts.
- ③ The Company shall provide the necessary information in accordance with laws and regulations to protect the rights and interests of the stakeholders, and support the stakeholders' access to the relevant information.

V. Management Monitoring by the Market

- ① The Company shall regularly prepare and disclose the business report, quarterly report and semi-annual reports, etc. and shall disclose the corporate information to the shareholders and the stakeholders diligently, quickly and honestly.
- ② Other legal obligations and important matters, in addition to the regular disclosures, shall be disclosed accurately and in detail, without delay.
- ③ The Company shall not preferentially treat specific person(s) or discriminate in the scope or the time of disclosing important corporate information, and shall disclose so that all stakeholders can access at the same time.

Addenda

- ① This Corporate Governance Charter is enacted and announced by a resolution dated Oct 26th, 2022, of the Board of Directors or a Board Committee authorized by the Board of Directors.
- ② Any revision to this Corporate Governance Charter must be approved by a resolution of the Board of Directors or a Board Committee authorized by the Board of Directors.