

**Regulation on the operation of
ESG Committee**

PanOcean. Co., Ltd.

Regulation on the operation of ESG Committee

Enactment : May. 09, 2022

Chapter 1. General Rules

Article 1 (Purpose)

The purpose of this Regulation is to stipulate required provisions for effective operation of the ESG Committee (hereinafter referred to as “Committee”) pursuant to the Korean Commercial Code and Articles of Incorporation of PanOcean(hereinafter to be referred to as “Company”).

Article 2 (Scope of Application)

This Regulation shall be applicable to matters concerning the Committee unless otherwise stipulated by laws or Articles of Incorporation of the Company, or the regulation of the Board of Directors.

Article 3 (Function)

- ① The Committee determines and approves the company's ESG (Environment, Social, Governance) related business plan, and manages, supervises, evaluates, and reviews its activities.
- ② The Committee may, if deemed necessary, seek advice from external experts, etc. at the expense of the company.

Chapter 2. Organization

Article 4 (Composition)

- ① The Committee members (hereinafter referred to as “Members”) shall be elected and dismissed by the Board of Directors.
- ② The Committee shall be composed of three (3) or more directors. Not less than 2/3

of the Committee members shall be independent directors.

③ The term of office of members shall be that of directors.

Article 5 (Chairman)

① The Committee shall select a chairman by a resolution of the provision of Article 9.

② The Chairman shall represent the Committee and convene and preside over the Committee meetings.

③ In the event of Chairman's inability, a member designated by the Committee shall represent his or her duties.

Chapter 3. Meeting

Article 6 (Types)

① The Committee shall be ordinary and extraordinary.

② An ordinary committee is held once every half year.

③ An extraordinary committee shall be held from time to time when necessary.

Article 7 (Convocation Right Holder)

① The Committee shall be convened by the Chairman. However, when the Chairman is absent, a member designated by the Committee shall represent his or her duties according to Article 5 Section 3.

② Each member may request the Chairman to convene the meeting with the agenda and the reason. In the event that the Chairman does not convene the Committee meeting without a reasonable ground, the member who has requested convocation of the Committee may convene the Committee meeting.

Article 8 (Convocation Procedure)

① For Convocation of the Committee, date of the meeting shall be fixed and notice shall be given to each director two(2) days prior to the date of such meeting.

② In the event that the consent of all directors is received prior to such meeting, procedure of clause 1 may not be required.

Article 9 (Resolution)

Resolutions of the Committee meeting shall be adopted by the affirmative vote of the majority of the members present at the meeting, provided the majority of the members

are present at the meeting. In this case, the Committee may permit all or some of members to participate in the resolution by means of remote communication system which transmits and receives sounds simultaneously without personally attending the meetings. In this case, the relevant members shall be deemed to be present at the meeting personally.

Article 10 (Matters to be Submitted for Consideration)

- ① The following agendas shall be submitted to the Committee for consideration:
 1. Matters concerning the establishment and implementation of mid- to long-term strategies for whole ESG management.
 2. Enactment and amendment of ESG-related regulations.
 3. Publication of Sustainable Management Report.
 4. Review and deliberation of policy activities related to safety and health related to the Serious Disaster Penalty Act.
 5. Any other matters delegated by the board of directors or deemed necessary by the Committee.
- ② The following reports shall be submitted to the Committee for consideration:
 1. Enactment/amendment of Corporate Governance Charter and preparation of corporate governance reports.
 2. Reviewing ESG-related external institution evaluation results and reporting countermeasures.
 3. Monitoring ESG improvement activities at least twice a year.
 4. Key environmental/social non-financial issues
 5. Any other matters deemed necessary by the Committee.

Article 11 (Opinion Listening by Other Persons Concerned)

When the Committee deems necessary, it may request relevant officers or employees or external personnel to attend the meetings and listen to their opinion.

Article 12 (Duty to Notify)

The Committee shall notify each director of resolutions within two (2) days. In this case, each director receiving such a notification may request convocation of the Board of Directors, and the Board of Directors may reconsider the resolutions made by the Committee.

Article 13 (Minutes of Meeting)

- ① All minutes shall be prepared with regard to the Committee meeting.
- ② The minutes shall record the agenda, summary of proceedings of the meeting, the results thereof, the members against the resolution and reason for opposition of such members. All members present at the meeting shall write their names and sign, or affix their seals on the minutes.

Chapter 4. Supplementary Rules

Article 14 (Secretary)

- ① The Committee shall have a secretary.
- ② Head or Leader in charge of Planning Department becomes secretary and the secretary shall be in charge of the affairs of the Committee according to the instruction of the Chairman

Article 15 (Amendment of Regulation)

This regulation shall be amended or abrogated by a resolution of the Board of Directors.

Supplementary Provision

This regulation shall be effective from May 9, 2022.