



Audit Committee Charter

Amended on April 25, 2024

Chapter 1 General Rules

Article 1 Purpose

The purpose of this charter is to establish standards for the performance of duties and to outline essential operational matters for the Audit Committee (the "**Committee**") of Yanolja Co., Ltd. and its affiliated companies (the "**Company**") Board of Directors (the "**Board**"), ensuring the proper and effective execution of its auditing responsibilities.

Article 2 Application

- ① Matters pertaining to the Committee shall be regulated by this charter unless otherwise stipulated in laws, articles of association, or other relevant regulations.
- ② This charter shall also extend to the Committee's oversight of audits conducted on the Company's affiliated entities.

Article 3 Definition

- ① "Internal Control System" refers to a continuum of processes consistently implemented by the Board, management, and other company members, aimed at providing reasonable assurance regarding the efficiency and effectiveness of corporate operations, the reliability of financial information, and adherence to applicable laws, regulations, and policies.
- ② "Internal Accounting Control System" denotes a process continuously undertaken by the Board, management, and other organizational members of the company to ensure the reliability of financial statements as an integral part of the internal control system.
- ③ "Internal Accounting Manager" pertains to an individual as defined in Article 8, Paragraph 3 of the Act on External Audit of Corporations and Other Entities (hereinafter referred to as the 'External Audit Act').



- ④ "Internal Audit Department" signifies the department within the company's internal organizational structure responsible for overseeing the establishment, implementation, and reporting of the company's internal audit plan results.

Article 4 Basic Attitude

- ① Members of the Committee (the "**Audit Committee Members**") shall fulfill their duties in the following manner.
1. Acknowledge their responsibility for monitoring the Company's management, striving to ensure the Company's sound management, protection of shareholders' rights and interests, and preservation of the Company's societal trust.
 2. Maintain an impartial stance when recognizing facts, making judgements, and expressing opinions.
- ② Audit Committee Members shall focus on the following items.
1. Monitor management performance trends and changes in the business environment, facilitate dialogue with Directors, and gather information from Directors, Officers, and relevant department employees to grasp the actual situation.
 2. Acquire the requisite knowledge for conducting audit tasks, study relevant theories, and endeavor to enhance audit capabilities.
 3. Vigilantly observe the potential for fraud, errors, inefficiencies, waste, system inadequacies, and conflicts of interest.
 4. Work towards ensuring the smooth operation of the internal accounting control system by assessing its operational status and reporting findings to the Board to rectify any issues.
- ③ Audit Committee members shall carry out their duties based on factual evidence in compliance with pertinent laws and regulations, ensuring adequate documentation and evidence for audit matters.

Article 5 Principles of Independence and Objectivity

- ① The Committee shall conduct its audit duties from a position of independence, separate from the Board, executive management, and other organizational units.
- ② The Committee shall uphold objectivity in the execution of its audit responsibilities. The appointment and dismissal of audit committee members shall be determined by resolution of the Board.



Article 6 Duties and Authorities

- ① The Committee shall audit the performance of the Directors' duties.
- ② The Committee may exercise the following authorities.
 - 1. Request business reports from Directors and other relevant parties and investigate the company's business and assets status.
 - 2. Request business reports from affiliated companies and investigate the business operations and asset status of such entities.
 - 3. Request the convening of an extraordinary general meeting of shareholders.
 - 4. Authorities to obtain expert assistance with the Company's expense.
 - 5. Express an opinion on the dismissal of the auditor committee members.
 - 6. Receive reports from directors.
 - 7. Request an injunction of a director's misconduct.
 - 8. Represent Directors and the company in inter-company litigation.
 - 9. Receive internal reports of accounting irregularities, verify the facts, report actions taken, if any, maintain informant confidentiality, and ensure protection against unfavorable treatment.
 - 10. Agree to the resolution of financial statements (including consolidated financial statements) by the Board.
 - 11. Approve the enactment and amendment of internal accounting management regulations and evaluating their operation.
 - 12. Select external auditors (for statutory audit only).
- ③ To fulfill its duties, the Committee may request the following, and recipients shall comply unless there are compelling reasons.
 - 1. All necessary materials, information, and expenses in the company to fulfill their duties.
 - 2. Attendance and responses from relevant individuals.
 - 3. Matters concerning warehouses, safes, books and related documents, evidences, goods, etc.
 - 4. Any other items essential for audit work.
- ④ The Committee may require department heads to report any irregularities or gross negligence of Employees. In such instances, the Committee shall promptly initiate a special audit.

Article 7 Obligations



- ① Auditor Committee members shall discharge their duties with the duty of care expected of a prudent manager towards the Company.
- ② Audit Committee members shall maintain confidentiality regarding the Company's proprietary information acquired during the course of their duties, both during their tenure and after leaving office.
- ③ The Committee shall promptly report to the Board upon identifying any actions by a director that contravene laws or the articles of association, or which are likely to do so.

Article 8 Liability

- ① If an audit committee member intentionally or negligently breaches laws or the articles of association, or fails in their duties, they shall be jointly and severally liable for damages to the Company. However, the articles of association may provide for mitigation of the auditor's liability.
- ② If an audit committee member discharges their duties due to malice or gross negligence, they shall jointly and severally compensate the third party for damages.

Article 9 Expression of the Committee's Opinion

- ① The Committee may convey opinions, advice, and recommendations to the directors if any of the following items fall under the Committee's duties.
 - 1. When expressing views on the proper operation and optimization of the Company's business.
 - 2. Upon discovery of facts that could result in significant harm to the Company or serious incidents, etc.
 - 3. Identification of facts indicating that the Company's business execution violates or may violate laws, articles of association, accounting standards, etc.
- ② When the Committee provides opinions, advice or recommendations, directors and executive officers shall diligently investigate the facts and background with a sense of liability.

Chapter 2 Composition and Operation of the Audit Committee

Article 10 Membership

- ① Audit committee members shall be appointed at the general meeting of shareholders.



- ② The Committee shall consist of at least three (3) directors, and at least two-thirds (2/3) of the audit committee members shall be independent directors.
- ③ At least one (1) audit committee member must qualify as an accounting or financial expert as prescribed by relevant laws and regulations, and audit committee members who are not independent directors must meet the requirements prescribed by relevant laws and regulations.
- ④ If an audit committee member who is an independent director falls short of the percentage of independent director as stipulated in Paragraph ② or the composition of the Committee as stipulated in Paragraph ③ due to resignation, death, or other reasons, the Committee shall be reorganized to meet the composition of the Committee at the first general meeting of shareholders convened subsequent to the occurrence.
- ⑤ The Committee may have a secretary, who shall be the head of the internal audit department (or, in the case of Article 18, Paragraph ①, Sub-Paragraph ①, the head of that department) responsible for Committee affairs.

Article 11 Chairperson

- ① The Committee shall select a chairperson to represent the Committee from among the independent directors by resolution in accordance with Article 15. In this case, it may be determined that a number of audit committee members jointly represent the Committee.
- ② The chairperson shall oversee the work of the Committee and may allocate responsibilities among audit committee members to ensure efficient operation.
- ③ In the absence of the chairperson, a member designated by the Committee shall assume the chairperson's duties.

Article 12 Meeting

- ① The Committee shall convene regular and ad hoc committees.
- ② The regular committee shall be held quarterly.
- ③ Ad hoc committee shall be convened as necessary.

Article 13 Convener

- ① The Committee shall be convened by the chairperson.
- ② Any audit committee member may request the convening of the Committee by providing the agenda and reasons to the chairperson. If the chairperson fails to convene the Committee without justifiable cause, the requesting audit committee member may convene the Committee.



Article 14 Notice

- ① When convening the Committee, a meeting date shall be scheduled, and notice shall be dispatched to each audit committee member three days in advance.
- ② The Committee may convene a meeting at any time without following the procedure in Paragraph ① if all audit committee members consent.

Article 15 Quorum

- ① Resolutions of the committee are made with the attendance of a majority of the registered members and a majority of the members present.
- ② The Committee may permit all or part of the audit committee members to participate in resolutions without being physically present at the meeting, provided they utilize a communication device allowing simultaneous transmission and reception of voice among all audit committee members. In such cases, participating audit committee members shall be considered present at the meeting. However, if the Outside Audit Act mandates an in-person meeting, notwithstanding this provision, participation in the resolution may be limited to remote video conferences held at different locations equipped with devices facilitating simultaneous transmission and reception of video and audio.
- ③ Individuals with a vested interest in the Committee's agenda shall refrain from exercising voting rights. In such instances, the number of unexercised voting rights shall not be counted towards the total voting rights of present Audit Committee members..

Article 16 Agendas

Agendas presented to the Committee shall encompass the following:

- 1. Matters concerning the general meeting of shareholder:
 - (1) Requests for convening extraordinary general meetings of shareholders
 - (2) Statements on the agenda and documents of the general meeting of shareholders
- 2. Matters concerning directors and the Board:
 - (1) Reporting obligations to the Board.
 - (2) Preparation and submission of audit reports.



- (3) Request for maintenance of misconduct of directors.
- (4) Requests for business reports to directors.
- (5) Matters delegated by the Board.
- 3. Matters related to auditing:
 - (1) Investigation of business operations and assets.
 - (2) Investigation of affiliated companies.
 - (3) Receiving reports from directors.
 - (4) Representation in lawsuits between directors and the Company.
 - (5) Determination of whether to file a lawsuit against a director when requested by minority shareholders.
 - (6) Audit plans and results.
 - (7) Review of the appropriateness of significant accounting standards and the appropriateness of changes in accounting estimates.
 - (8) Evaluate the internal control system (including the internal accounting control system).
 - (9) Confirmation of corrective actions taken in response to audit findings.
 - (10) Consent to the appointment of the Head of Audit.
 - (11) Selection and dismissal of the external auditor.
 - (12) Enactment and amendment of the external auditor's audit fee, audit time, and personnel required for the audit.
 - (13) Enactment and amendment of criteria and procedures for the selection of external auditors.
 - (14) Post-assessment of the selected external auditor.
 - (15) Receiving reports from external auditors of violations of accounting standards by the Company, investigating such violations and requesting corrective measures from The Representative Director

Article 17 Minutes

- ① Minutes shall meticulously record Committee decisions.
- ② The minutes shall state the agenda, proceedings, results, dissenters and grounds for opposition, and shall be authenticated by the signatures or seals of audit committee members..
- ③ The Committee shall send a copy of the minutes to each director and audit committee member within seven (7) days.



Chapter 3 Audit Organization

Article 18 Establishment and Operation of the Internal Audit Department

- ① The Committee shall establish and operate an internal audit department exclusively dedicated to facilitating the efficient and effective discharge of its duties.
- ② The Head and employees of the internal audit department (hereinafter referred to as 'internal auditors') shall assist the Committee in its functions and carry out their responsibilities under the guidance and directives of the Committee.
- ③ The appointment of the Head of the Internal Audit Department shall be subject to the consent of the Committee.
- ④ The Representative Director, directors, and management shall provide the necessary support and cooperation to the Committee or the Board in establishing and operating the Internal Audit Department.
- ⑤ Additional operational aspects of the internal audit department shall comply with the internal audit regulation established by the Committee.

Article 19 Qualifications of Internal Auditors

- ① Internal auditors shall possess the requisite knowledge, skills, and professional qualifications necessary for conducting audit activities, and shall be chosen from individuals with a minimum of two (2) years of tenure with the company and have been ranked within the top twenty percent (20%) of the Human Resources Department for the last two and a half (2.5) years.
- ② The following persons shall not be eligible for internal auditors:
 1. Two (2) years have not elapsed since the date of receiving disciplinary action of reprimand or higher.
 2. Individuals lacking independence from the Directors.
 3. Temporary or conditionally appointed personnel.
 4. Any other individual deemed ineligible by the Committee.



Article 20 Personnel and Treatment of Internal Auditors

- ① The Company shall ensure the availability of sufficient internal auditors to facilitate the seamless provision of audit services.
- ② At least ten percent (10%) of the internal audit team shall comprise specialized personnel. Such professionals shall be certified public accountants, certified internal auditors (CIA), corporate internal auditors, IT specialists, and other professional certifications, and those who have performed audit services in a listed corporation for more than two (2) years.
- ③ The Committee reserves the right to request the engagement of external experts as internal auditors when deemed necessary.
- ④ The appointment and transfer of internal auditors shall be carried out without delay by The Representative Director upon the written request of the Committee. In instances where immediate action is not feasible, the Representative Director shall furnish written notification detailing the reasons for the delay.
- ⑤ In principle, internal auditors shall be restricted from moving within one (1) year, except in the case of promotion.
- ⑥ Separate preferential criteria for personnel evaluation may be established and operated for internal auditors.
- ⑦ Audit allowances may be disbursed to internal auditors through allocation from a separate budget.

Article 21 Code of Conduct for Internal Auditors

Internal auditors shall comply with the following standards of behavior when conducting audits:

1. Conduct audits with impartiality and fairness.
2. Safeguard confidential information obtained during the course of their duties and refrain from its unauthorized disclosure or use for personal gain.
3. Comply with applicable laws and regulations and instructions, and perform duties based on facts and evidence.
4. Exercise diligence to avoid impeding the auditee's creativity and operational functions during audits..



Chapter 4 Audit Implementation

Article 22 Requirement to Report to Directors

- ① The Committee shall immediately mandate the director to report or notify orally or in writing if there is any matter requiring urgency that may cause significant damage to the preservation of the Company's assets.
- ② Upon receiving a report from a director indicating a risk of substantial harm to the company, the Committee shall assess the impact on the company and undertake necessary actions, such as providing advice or recommendations as a collective body.

Article 23 Exchange of opinions among audit committee members

- ① Audit committee members shall receive reports from the Employee regarding their duties, investigate daily operations, and communicate the information obtained to other audit committee members.
- ② Each audit committee member shall actively engage in exchanging opinions with each other regarding the formulation of the audit plan, the preparation of the audit report, and the exercise of other authorities.
- ③ In stances where two (2) or more audit committee members divide their duties, they shall clearly distinguish their duties and liabilities.
- ④ The Committee may convene meetings to exchange information and opinions applicable to its duties. In this case, the meeting shall not be considered a meeting under Article 12.

Article 24 Cooperation with the Internal Audit Department

- ① The Committee shall maintain close cooperation with the internal audit department, leveraging its audit plans, procedures and audit results to achieve its audit purposes.
- ② The Committee may request the Internal Audit Department to report on the results of the audit or to investigate certain matters.



Article 25 Internal Accounting Control System

The Committee shall convene in-person meetings to assess the operational status of the internal accounting management system and report the internal accounting management system evaluation report to the Board at least one (1) week prior to the general meeting, and shall keep the evaluation report at the Company's headquarters for five (5) years. Any corrective opinions regarding the management and operation of the internal accounting management system shall be incorporated into the report.

Article 26 Attendance at Important Meetings

- ① Audit Committee members may attend and express their opinions at executive meetings and other important meetings in order to understand the progress of management policy decisions, management and business conditions.
- ② In the event that Audit Committee members are unable to attend the aforementioned meetings, they shall be provided with reports on the discussions and may review the minutes and materials.

Article 27 Investigation of Property

The Committee shall investigate the management, acquisition and disposal of essential company assets and significant transactions outside the ordinary course of business, and shall report to the Board if it finds facts that violate the laws or articles of association or substantial unfairness.

Article 28 Investigation of Transactions

The Committee shall request the director in charge to report the contents in consultation with the director in charge in advance if the company gives away important property interests for free or engages in non-customary transactions with affiliated companies or shareholders, and shall report to the Board if it finds facts that violate the director's obligations.

Article 29 On-Site Inspection

- ① The Committee shall conduct inspections at the headquarters, branches, offices, etc. to



understand the actual situation regarding the Company's overall business and check whether the business is being conducted legally and appropriately.

- ② The Committee shall, in principle, make opinions, advice, or recommendations to the directors as a result of the inspection of the headquarters, branches, offices, etc.

Article 30 Review of Notices by Electronic Methods

The Committee shall diligently review whether the directors adhere to legal and regulatory requirements, as well as the articles of association, regarding the notification period and contents when the Company notifies shareholders of the convening of general meetings by electronic means.

Chapter 5 Cooperation with the External Auditor, etc

Article 31 Cooperation with the External Auditor

- ① The Committee shall maintain a close relationship with the external auditor aiming to leverage the audit plan, procedures, and findings to fulfill audit objectives effectively.
- ② The Committee shall receive an explanation from the external auditor regarding the outline of the audit plan, and shall also explain the audit plan for the Committee's accounting and coordinate with it.
- ③ From time to time, the Committee shall engage in discussions with the external auditor concerning the audit progress.
- ④ The Committee shall require the external auditor to notify the Committee when the external auditor, in the performance of its duties, discovers any irregularities in the performance of the directors' duties or any material facts that violate laws or regulations or the articles of association, and when the Company discovers any violation of accounting standards.
- ⑤ The Committee shall notify the external auditor when it discovers any irregularities in the performance of directors' duties or any material facts that violate laws, regulations or the articles of association.
- ⑥ In the event of the external auditor notifying the Committee of any breaches of the Company's accounting standards, the Committee shall expeditiously furnish the results of the investigation



into said violations and the Company's corrective actions to both the Securities and Futures Commission and the external auditor.

Article 32 Selection of External Auditor, etc.

- ① The Committee shall select the external auditor, and if the Company seeks to change or dismiss the external auditor, it shall afford the previous or dismissed external auditor the opportunity to orally or in writing express their opinions.
- ② The Committee shall set the external auditor's audit fee, audit time, and personnel required for the audit in writing.
- ③ The Committee shall prepare criteria and procedures for the selection of the external auditor in advance, including the following items:
 - 1. Adequacy of audit time, audit personnel, audit compensation, and audit plan
 - 2. Independence and expertise of the external auditor
 - 3. Content of the communication with the external auditor and the following matters:
 - (1) The results of the evaluation of whether the external auditor has faithfully fulfilled the audit time, audit capacity, audit remuneration, and audit plan agreed upon when the external auditor was appointed.
 - (2) If the external auditor has requested that the Company provide advice to an external organization on the interpretation of accounting standards, asset valuation, etc. in connection with the audit work, the details of the consultation between the Committee and the external auditor on the requested content, the results of the consultation, and the utilization of the consultation
 - (3) The number of face-to-face meetings held between the Committee and the external auditor during the fiscal year, the names of the participants, and the main points made, etc.
 - (4) Other matters prescribed by the Financial Services Commission as necessary criteria to ensure the objectivity and reliability of the selection of the auditor.
- ④ The Committee shall hold a face-to-face meeting to select an external auditor and shall document and manage the following items:
 - 1. The results of the review of each item of Paragraph ③



2. The number of face-to-face meetings conducted, the names of the attendees, and the main contents of the meeting, etc.
- ⑤ The Committee shall evaluate the external auditor after the external auditor submits the audit report for each business year and document and manage the details of the evaluation.

Article 33 Independence of the External Auditor

The Committee shall review significant matters applicable to the external auditor and the Company, including matters particularly those with the potential to impact the external auditor's independence or harbor a high conflict of interest, and may provide appropriate opinions to the Board.

Article 34 Exchange of Opinions with the External Auditor

The Committee shall maintain close collaboration with the external auditor, facilitating exchanges of opinions on the sufficiency of the Company's internal control system and financial statements..

Chapter 6 Reporting of Audit Results

Article 35 Preparation of Audit Minutes

- ① The Committee shall prepare and keep audit minutes for each audit conducted.
- ② The audit report shall describe the procedures and results of the audit and shall be signed or sealed by each auditor who conducted the audit.

Article 36 Report to the General Meeting of Shareholders, etc.

- ① The Committee shall examine the agenda and documents to be submitted to the general meeting of shareholders by the directors and express its opinion to the general meeting of shareholders on whether there are any violations of laws or articles of association or any matters that are significantly unjustified.
- ② The Committee shall respond to inquiries from shareholders at the general meeting with utmost transparency and integrity, adhering strictly to its prescribed duties.



Addendum

This Charter is amended and enforced on February 19, 2021.

Addendum

This Charter is amended and enforced on December 29, 2021.

Addendum

This Charter is amended and enforced on March 16, 2022.

Addendum

This Charter is amended and enforced on April 25, 2024.