

Regulations of the Board of Directors

Dec.	21.	2018.	Enactment.	Regulation No. 12
Mar.	29.	2024.	Amendment.	Regulation No. 12 [1]
Aug.	12.	2024.	Amendment.	Regulation No. 12 [2]

CHAPTER 1. GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of these regulations is to set forth the matters necessary for the efficient operation of the Board of Directors of Lunit Inc. (hereinafter referred to as "the Company").

Article 2 (Scope of Application)

Unless otherwise specified by applicable laws or the Company's articles of incorporation, matters concerning the operation of the Board of Directors shall be determined by this Regulation.

Article 3 (Authority)

- ① The Board of Directors shall adopt resolution on matters prescribed by relevant laws and regulations or the articles of incorporation, matters delegated by the general shareholders' meeting, the Company's management principles and important matters for business operation.
- ② The Board of Directors shall supervise the director's performance of their duties.

CHAPTER 2. COMPOSITION

Article 4 (Composition)

The Board of Directors shall be comprised of all directors (including outside directors and other non-executive directors).

Article 5 (Chairperson)

- ① In principle, the chairperson of the Board of Directors shall be the representative director, and the chairperson may be separately appointed as a director other than the representative director by resolution of the Board of Directors.
- ② When the chairperson of the Board of Directors is unable to perform his/her duties for unavoidable circumstances such as accident, the representative director shall perform the duties in lieu of the chairperson, and if there is an unavoidable circumstance such that the representative director as well may not perform such duties, the most senior director by date of appointment to the board will chair the meeting on the chairperson's behalf.

CHAPTER 3. MEETING

Article 6 (Person Authorized to Convene)

- ① The Board of Directors' meeting shall be convened by the chairperson of the Board of Directors. However, if the chairperson is unable to perform his/her duties for unavoidable circumstances such as accident, he/she shall act on behalf of the chairperson in the order prescribed in Article 5 (2).
- ② Each director may request to convene the Board of Directors' meeting by disclosing the agenda and the grounds thereof to the chairperson. If the chairperson refuses to convene the meeting without justifiable cause, the director or audit committee member who made the request may convene a Board of Directors' meeting instead. [2]

Article 7 (Procedure to Convene the Meeting)

- ① In convening the Board of Directors' meeting, the date of such meeting shall be fixed and a notice of convocation shall be sent to each director at least one day prior to the date set for the Board of Directors' meeting. [2]
- ② When there is consent of all the directors, the Board of Directors' meeting may be convened anytime without undertaking the procedure set forth in Paragraph ① above. [2]

Article 8 (Method of Resolution)

- ① A resolution of the Board of Directors shall be adopted in the presence of a majority of directors in office by the affirmative votes of a majority of directors present at the meeting. However, the resolution of the Board of Directors on matters falling under Article 397-2 (Prohibition of Appropriation of Company's Opportunities and Assets) and Article 398 (Transactions between Directors, etc. and Company) of the Commercial Act shall be at least two-thirds of the directors.
- ② The board of directors may allow all or some of the directors to take part in the adoption of a resolution without presence in person at the meeting by means of a remote communications system that enables all directors' simultaneous transmission and receipt of sounds. In such cases, the relevant directors shall be deemed present at the meeting.
- ③ No directors having a specific interest in any resolution of the Board of Directors shall be allowed to exercise their vote upon such a resolution..
- ④ The number of directors who cannot exercise their voting rights pursuant to paragraph ③ shall not be included in the number of directors present.

Article 9 (Matters to be submitted)

- ① The following matters shall be submitted to the Board of Directors meeting for resolution:
 1. Matters related to the general shareholders' meeting
 - (1) Convening of a general shareholders' meeting (Or allowing the exercise of voting rights by electronic methods)

- (2) Approval of business reports
 - (3) Approval of financial statements
 - (4) Amendment of the Articles of Incorporation
 - (5) Capital reduction
 - (6) All-inclusive exchange of shares, Dissolution, merger, split-up and merger, and continuation of the Company [2]
 - (7) Transfer of all or substantial parts of the business of the Company and acquisition of all or substantial parts of the business of a different company that has a significant impact on the company's business
 - (8) Execution, amendment or termination of any agreement entailing lease of the entire business, delegation of management, or sharing of entire business profit or loss with another person, or any agreement equivalent thereto
 - (9) Appointment and discharge of the directors, members of the audit committee [2]
 - (10) Issuance of shares short of par value
 - (11) Release of directors from liability to the company
 - (12) Decisions on cash, stock, and dividends in kind
 - (13) Granting of stock option
 - (14) Compensation of directors [2]
 - (15) Approval of transaction with the Company's largest shareholder (including its specially related person) and specially related person under Article 542-9 of the Commercial Act and Any other agenda to report to the general shareholders' meeting [2]
 - (16) Reduction of legal reserves
 - (17) Any other agenda to submit and report to the general shareholders' meeting
2. Matters related to management
- (1) Determination and change of the fundamental policies of the Company management
 - (2) Promotion of important new business [2]
 - (3) Financial planning and budget management
 - (4) Appointment and discharge of the representative director
 - (5) [Deletion]
 - (6) Determination of the co-representatives
 - (7) Establishment, operation, and abolishment of a committee within the Board of Directors
 - (8) Appointment and discharge of members of a committee within the Board of Directors (excluding the Audit Committee) [1]
 - (9) Separate resolution on resolutions adopted by a committee within the Board of Directors (excluding the Audit Committee)
 - (10) Decision to seek expert cooperation of directors
 - (11) Appointment and discharge of manager
 - (12) [Deletion]
 - (13) [Deletion]

- (14) [Deletion]
 - (15) [Deletion]
 - (16) Adoption and repeal of significant bylaws, regulations
 - (17) Establishment·relocation or closure of a branch [2]
 - (18) Decision on simplified stock exchange, simplified merger, simplified merger after split-up, small-scale stock exchange, small-scale merger, and small-scale merger after split-up [2]
 - (19) Reporting of merger or consolidation
3. Matters related to finance
- (1) Investment or disposal of investments in another company at a value of [5%] or more of the Company's equity capital as of the end of the latest fiscal year under the KOSDAQ disclosure regulations [2]
 - (2) Acquisition and disposal of tangible and intangible assets equivalent to [5%] or more of the assets as of the end of the latest fiscal year [2]
 - (3) Acquisition or transfer of business with asset value of [5%] or more of the total assets of the Company as of the end of the latest fiscal year [2]
 - (3-2) Loan in an amount equivalent to [5%] or more of the Company's equity capital as of the end of the latest fiscal year under the KOSDAQ disclosure regulations [2]
 - (3-3) Provision of security interest, guarantee for liabilities, takeover/waiver of liabilities for others and Provisional payment of cash, cash loan or loan of securities to others equivalent to [5%] or more of the Company's equity capital as of the end of the latest fiscal year under the KOSDAQ disclosure regulations [2]
 - (4) Disposal of deficits
 - (5) New facility investments, non-facility investment, facility expansion, or establishment and closure of factories at a value of [5%] or more of the Company's equity capital as of the end of the latest fiscal year under the KOSDAQ disclosure regulations [2]
 - (6) Issuance of new stocks
 - (7) Issuance of bonds, or the delegation of bond issuance authority to the CEO
 - (8) Capitalization of reserves
 - (9) Issuance of convertible bond
 - (10) Issuance of bond with warrant
 - (11) [Deletion]
 - (12) Establishment of pledge or mortgage on significant assets
 - (13) acquisition, disposal of treasury stock
 - (14) retirement of treasury stock
4. Matters related to directors
- (1) Approval for transactions between directors and the Company
 - (2) Approval for directors to use corporate opportunities
 - (3) Simultaneously holding an executive position of a different company
5. Miscellaneous
- (1) Filing of important lawsuit
 - (2) Cancellation of stock option

- (3) Other matters determined pursuant to other laws or Articles of Incorporation, matters delegated by the general shareholders' meeting and matters approved to be necessary by the representative director
- ② The following matters shall be reported to the Board of Directors meeting:
 1. Result of processing the matters delegated to a committee within the Board of Directors
 2. Matters acknowledged by the audit committee to have been in violation of the laws or the Articles of Incorporation by a director or are at risk of such [2]
 - 2-2. Operational status of the internal accounting management system [2]
 - 2-3. Appointment and discharge of the chairman, president, vice president, executive director, and managing director [2]
 - 2-4. Matters concerning the finance of Article 9-①-3. that do not fall under the Matters to be submitted [2]
 3. Other matters relating to the performance of duties important to management

Article 10 (Committee within the Board of Directors)

- ① The Board of Directors may establish committees within the board, as prescribed by the articles of incorporation for prompt and efficient decision-making.
- ② The Board of Directors may delegate its authorities to committees within the Board of Directors except for the following matters:
 1. Proposal of matters subject to approval at a general meeting of shareholders;
 2. Appointment or dismissal of the representative director;
 3. Establishment of committees (excluding the audit committee) and appointment or dismissal of committee members; [1]
 4. Other matters as provided by the articles of incorporation.
- ③ The committee shall be comprised of two or more directors.
- ④ The committee shall select a person to represent the committee by its resolution.
- ⑤ Matters concerning the detailed operation of the committee shall be separately determined by the Board of Directors.

Article 11 [Deletion]

Article 12 (Attendance of Related Persons)

When it deems necessary, the chairperson may require related officers or employees or outside personnel to attend and provide their opinion.

Article 13 (Right to Supervise Director's Performance of Duties)

- ① As each director performs the responsible duties, the Board of Directors may request the submission, investigation or explanation of the relevant materials of the director, if the Board of Directors acknowledge that such director has violated the laws or the articles of incorporation, handled the tasks in a substantially unlawful manner, or there is a risk of such handling.
- ② In case of Paragraph ①, the Board of Directors may suspend the Director's performance of duties or demand changes thereof.

Article 14 (Meeting Minutes)

- ① Minutes shall be prepared with regard to the proceedings of a Board of Directors' meeting.
- ② The agenda items, summary of the proceedings and the outcomes thereof, and the objectors and grounds for their objection shall be entered in the minutes, and the directors present at the meeting shall write their names and affix seals, or affix their signatures, thereon. [2]
- ③ Shareholders may, during business hours, request to either inspect the minutes of the Board of Directors' meeting, or to copy them.
- ④ A company may reject a request made under paragraph ③ with an explanation of grounds therefor. In such cases, shareholders may inspect or copy the minutes of the Board of Directors' meeting after obtaining permission from the court.

Article 15 (Secretary)

- ① The Board of Directors shall have a secretary.
- ② The Secretary shall undertake administrative works for the Board of Directors by the instructions of the Chairperson.

CHAPTER 4. SUPPLEMENTARY PROVISIONS

Article 16 (Provisions Applicable Mutatis Mutandis)

The provisions of Article 8 (1), (2), (3), (4) and Article 14 shall apply mutatis mutandis to committees within the Board of Directors,

Article 17 (Payment of expenses)

Necessary expenses, such as meeting allowances, may be paid to outside directors who have attended the Board of Directors and committees within the Board of Directors, audit committee members, and external personnel under Article 13, as prescribed by the representative director. [2]

ADDENDUM (December 21, 2018)

Article 1 (Enforcement Date)

These regulations shall enter into force on December 24, 2018.

ADDENDUM (March 29, 2024)

Article 1 (Enforcement Date)

These regulations shall enter into force on March 29, 2024.

ADDENDUM (August 12, 2024)

Article 1 (Enforcement Date)

These regulations shall enter into force on August 12, 2024.