**DOOSAN HEAVY INDUSTRIES AND CONSTRUCTION CO., LTD.**

**REGULATION OF THE BOARD OF DIRECTORS**

Established on May 7th, 1981 Amended on Apr. 17th, 1990
Amended on June 23rd, 1982 Confirmed on Jul. 31st, 1993
Amended on Jan. 1st, 1984 Amended on Jul. 7th, 1995
Amended on Oct. 4th, 1984 Amended on Mar. 15th, 1997
Amended on Apr. 7th, 1986 Amended on Dec. 1st, 1997
Amended on Jan. 8th, 2001
Amended on Mar. 23rd, 2001
Amended on Jul. 30th, 2004
Amended on Feb. 24th, 2005
Amended on Jul. 29th, 2005
Amended on Mar. 17th, 2006

Amended on Mar. 16th, 2007
Amended on Mar. 25th, 2011

Amended on Mar. 30th, 2012

CHAPTER I. GENERAL PROVISIONS

**Article 1 (Objective)** The objective of this Doosan Heavy Industries And Construction Co., Ltd. Regulation of the Board of Directors ("**Regulation**") is to provide for the matters regarding the operation of the Board of Directors of Doosan Heavy Industries And Construction Co., Ltd (“**Company**”).

**Article 2 (Scope of Application)** All the matters related to the Board of Directors shall be subject to this Regulation, unless otherwise provided in relevant laws and regulations or the Articles of Incorporation.

**Article 3 (Power)** ① The Board of Directors shall make decisions on the (i) matters designated as the ones to be determined by it in relevant laws and regulations or the Articles of Incorporation, (ii) matters delegated to it by the meeting of shareholders, (iii) basic policies on management of the Company and principal matters related to execution of the Company’s business.

② The Board of Directors shall control the directors performing their respective duties.

CHAPTER II. COMPOSITION

**Article 4 (Composition)** The Board of Directors shall be composed of all directors in office.

**Article 5 (Chairman)** ① The Representative Director or a director designated by the Board of Directors (“Designated Director”) shall preside at all meetings of the Board of Directors, as chairman.

② If the -chairman is absent or unable to execute his or her duties, other directors shall act as chairman in accordance with the order of the -President, Vice , Chief Executive Officer, Vice Executive Officer , and Senior Executive Director.

CHAPTER III. MEETING

**Article 6 (Meeting of the Board of Directors)** The meeting of the Board of Directors shall be held when (i) the Representative Director or the Designated Director deems it necessary, or (ii) a meeting is requested per Article 7(2).

**Article 7 (Person Authorized to convene Meeting)** ① All meetings of the Board of Directors shall be convened by the Representative Director or Designated Director. If the Representative Director or the Designated Director is absent or unable to execute his or her duties, other directors shall act his/her duties in accordance with the order of the President, Vice President, and the Chief Executive Officer. However, in any event the President, Vice President, or Chief Executive Officer cannot perform such duties, each personnel’s Grade in accordance with the Human Resources Management Regulation shall govern the order of determining the person authorized to convene the meeting.

② In case more than one third of the total serving directors request a meeting of the Board of Directors by jointly signing and submitting a statement specifying the agenda and desired date of the meeting to the person authorized to convene the meeting as designated per Article 7(1), the person authorized to convene the meeting shall convene a meeting of the Board of Directors within ten (10) days in accordance with Article 8 of this Regulation.

③ In the event a request in accordance with Article 7(2) is rejected without justification or the person authorized to convene a meeting fails to notify the directors of convening a meeting within ten (10) days of such request, the directors who made the request may jointly convene a meeting.

**Article 7-2 (Acting Representative Director)** In the event the Representative Director is unable to execute his or her duties, other directors shall act his/her duties in accordance with the order of the President, Vice President, and the Chief Executive Officer. However, in any event the President, Vice -President, or Chief Executive Officer cannot perform such duties, each personnel’s Grade in accordance with the Human Resources Management Regulation shall govern the order of determining the acting Representative Director.

**Article 8 (Procedure of convening Meeting)** The chairman shall notify each director of the date, location, and agenda of the meeting in written or oral form, facsimile, or any other available communication method by one (1) day before the date of the meeting; provided, however, such notification may be waived with the consent of all directors.

**Article 9 (Method of Adopting Resolutions)** ① A quorum for holding a meeting of the Board of Directors shall be a majority of all directors in office and all resolutions of the Board of Directors shall be adopted by the affirmative votes of a majority of directors present at the meeting; provided, however, in case the Commercial Code or any other relative law requires otherwise, such law shall govern whether quorum was met to adopt a resolution.

② The Board of Directors may allow all directors or a part thereof to participate in resolutions of the Board of Directors through the means of communication transmitting and receiving moving pictures and voices simultaneously, in lieu of attending such a meeting in person. In such a case, such director(s) shall be deemed to have attended such a meeting in person.

③ Any director with special interest in any resolution of the Board of Directors shall be excluded from voting on such resolution.

④ Any director prohibited from voting pursuant to subsection 3 above shall be included in counting the number of directors present, but excluded from counting quorum for resolution.

**Article 10 (Agenda)** The following matters shall be presented to and approved by the Board of Directors:

1. Matters concerning the assembly and agenda of the meeting of shareholders:

2. Matters concerning management of the Company:

(1) Business plan and budget

(2) Long-term business plan

(3) Appointment or dismissal of the Representative Director

(4) Appointment or dismissal of the Executive Chief Officer or any officer exceeding authority thereof. The Board of Directors hereby delegate its authority to the Representative Director concerning all other officers’ appointment and dismissal.

(5) Amendment of the Regulation

(6) Enactment or amendment of the regulations regarding the Audit Committee, Committees within the Board of Directors, and the Advisory Board.

(7) Organization, management, and dissolution of any Committee within the Board of Directors

(8) Appointment or dismissal of any member of the Committee within the Board of Directors

(9) Organization, relocation, dissolution, or withdrawal of international and domestic branches or corporations where Doosan Heavy Industries And Construction Co., Ltd. is the largest or sole shareholder; provided, however, (i) the organization, relocation, or dissolution of the international and domestic offices other than branches, (ii) relocation of an international branch within the same country which it is established, and (iii) the organization, relocation, dissolution, or withdrawal of a local corporation or office solely used for specific projects shall be excluded from the matters to be presented to the Board of Directors.

3. Financial matters:

(1) Any disposition or acquisition of asset exceeding ten hundredth (10/100) of the gross amount of assets

(2) Any investment, or disposal of contributed shares to any company other than the Company exceeding ten hundredth (10/100) of the paid in capital

(3) Matters concerning the issuance of bonds

(4) Issuance of convertible bonds or bonds with warrant

(5) Capitalization of reserves

(6) Disposal of issued shares of affiliated companies or treasury stock of the Company

4. Matters concerning directors:

(1) Enactment or amendment of the Human Resources Management Regulation regarding executives

(2) Any matters requiring approval under Article 397(2) of the Commercial Code or transactions governed by Article 398 of the Commercial Code

5. Miscellaneous

(1) Grant or cancellation of stock options

(2) Other matters designated in relevant laws and regulations or the Articles of Incorporation as the ones to be determined by the Board of Directors, delegated to the Board of Directors by the meeting of shareholders, or those the Representative Director deems necessary.

**Article 11 (Committees in Board of Directors)** ① The Board of Directors may establish a variety of committees ("BOD Committees") within it for a prompt and efficient decision making in accordance with the Articles of Incorporation.

② The Board of Directors may delegate its power to BOD Committees, except for the following matters:

1. Proposals concerning any of the matters that require approval of a meeting of shareholders

2. Appointment and dismissal of the Representative Director;

3. Establishment of BOD Committees, and appointment and dismissal of their members; and

4. Other matters prescribed in the Articles of Incorporation.

③ Deleted

④ By a resolution, each of BOD Committees shall appoint the person who will represent it.

⑤ The details concerning the operation of each of such committees shall be determined separately by resolutions of the Board of Directors to the extent that does not violate any applicable laws or regulations.

**Article 12 (Deleted)**

**Article 13 (Delegation**) The Board of Directors shall delegate its decision-making authority to the Representative Director except for the matters requiring the Board of Directors’ vote, pursuant to relative laws, this Regulation, and the Articles of Incorporation.

**Article 14 (Authority to Control Directors’ Performance of Duties)** ① If the Board of Directors deems that a director has violated or is likely to violate any of relevant laws and regulations or the Articles of Incorporation, in performing his/her duties, or has performed or is likely to perform any of his/her duties in a materially unfair manner, it may request the said director to submit, be examined and explain about relevant data and materials.

② In subsection 1 above, the Board of Directors may request the said director to suspend performance of or change how to perform his/her duties in question.

**Article 15 (Minutes of Meeting)** ① The Board of Directors shall record the proceedings of every meeting of the Board of Director.

② The minutes shall include the agenda, procedure and results of the proceedings of the meeting, names of the directors against each resolution and the reason for their objection thereto, and all directors present at the meeting shall sign and seal the same or affix their signatures thereto.

**Article 16 (Secretary)** ① The Board of Directors may maintain a separate secretary.

② The secretary shall take charge of the affairs necessary for operating the Board of Directors including the issuance of notification of the Board of Directors’ meeting and recording the minutes.

Addendum

This Regulation shall come into effect on April 15, 2012.