

ASIAN CORPORATE GOVERNANCE ASSOCIATION

18th Floor, Wilson House, 19-27 Wyndham Street, Hong Kong

www.acga-asia.org

9 June 2026

To the National Assembly and the Government of the Republic of Korea,

Appreciation for Korea's corporate governance reform momentum and ACGA's continued engagement

Dear Sirs and Mesdames,

On behalf of the Asian Corporate Governance Association (ACGA) and its members, we write to convey our appreciation for the constructive engagement extended to us during our recent visits and meetings with regulators and policy makers in Korea, and to acknowledge the significant progress that the Korean authorities have made in advancing corporate governance reform over the past twelve months.

ACGA is an independent, non-profit membership organisation founded in 1999 and dedicated to working collaboratively with investors, companies and regulators to improve corporate governance practices across the Asia-Pacific region. Our membership includes many of the world's leading institutional investors, many of whom hold a substantial and long-standing interests in the Korean capital market.

In April this year, ACGA had the honour of participating in the International Corporate Governance Network (ICGN) delegation to Korea, representing the interests and perspectives of our members. The visit afforded a valuable opportunity to engage directly with policymakers, regulators and market participants, and to develop a deeper understanding of the corporate governance reform underway. We were greatly encouraged by the openness and thoughtfulness with which our discussions were received, and we are grateful to the K-Capital Market Special Committee, Financial Services Commission, the Financial Supervisory Service, the Korea Exchange, and other stakeholders for the time and consideration extended to our delegation.

We particularly appreciate the considerable momentum that has built up behind Korea's governance reform agenda. The recent amendments to the Commercial Code including the clarification that directors owe a duty of loyalty to shareholders, the adoption of the term "independent director", the strengthening of audit committee elections, and measures to modernise shareholder participation represent meaningful and welcome steps forward. These reforms send a clear and constructive signal to the global investment community regarding Korea's commitment to a more transparent, accountable and internationally aligned capital market.

We are encouraged by the FSC's prompt and constructive response to a proposal advanced by ACGA members during our delegation visit to Seoul in March 2025, namely that the voting results of general shareholder meetings be disclosed on the day of the meeting itself. We are most appreciative that this recommendation has been taken forward and reflected in the rules now in effect for the 2026 AGM season. This is an important step that brings Korean market practice into closer alignment with comparable practice in other major markets and meaningfully enhances transparency for both domestic and international investors.

We welcome the broader programme of shareholder-friendly policy implementation and refinement being pursued by the Korean authorities. The continued execution of the Corporate Value-up Programme, the publication of the first set of Korean Sustainability Disclosure Standards, and the Financial Services Commission's draft roadmap for mandatory sustainability disclosure, together represent a coherent and well-sequenced effort to strengthen disclosure quality, board accountability and the overall investability of the Korean capital market.

We recognise that this progress reflects the considerable effort and resolve of the Korean government and its regulatory bodies. We also share the view, which we understand to be widely held among the authorities, that sustaining this momentum will be essential to fully realising the benefits of reform for both domestic and international investors.

In that spirit, ACGA affirms its continued commitment to engaging closely and constructively with the Korean government and regulators. We greatly value Korea's evident determination to mature its capital market and to deepen its engagement with the global investor community.

In the period ahead, we remain committed to supporting Korea's efforts to fully realise the potential of its capital market, particularly as the recent amendments to the Commercial Code are implemented. This includes addressing key structural challenges such as strengthening board independence and effectiveness, and better aligning corporate decision-making with interests of all shareholders. Drawing on the extensive experience of our global membership across Asia and beyond, ACGA will continue to communicate openly with the relevant authorities, bringing forward practical ideas and the perspectives of our members with the shared goal of making Korea's market more transparent and competitive, with corporates accountable and accessible to global investors. Should there be any area in which ACGA can be of assistance, or otherwise add value to these efforts, we would be pleased to support.

We thank you once again for your leadership and your openness to dialogue with global investors, and we look forward to continuing our productive relationship in the period ahead.

Yours sincerely,

Amar Gill
Secretary General
Asian Corporate Governance Association

Helena Fung
Head of Research & Advocacy
Asian Corporate Governance Association

Yura Ahn
Head of Korea Research
Asian Corporate Governance Association