

# SUHEUNG

## ESG Policies and Guidelines

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# Environmental Management Manual

Enacted: May 30, 2022

## I. Environmental Management Policy

SUHEUNG considers the environmental impact of its operations and strives to improve its performance in greenhouse gas emissions and energy consumption, water consumption and reuse, air pollution, and waste management. Based on this, we maximize customer satisfaction and promote continuous company development. Therefore, we declare the following four environmental policies and strive to realize them. SUHEUNG's environmental management policy applies to the headquarters and all domestic and overseas subsidiaries. In addition, all employees, managers, contractors, and suppliers are subject to this policy.

1. The purpose of the environmental policy is to actively operate the ISO 14001:2015 environmental management system to reduce total Scope 1, 2, and 3 greenhouse gas emissions, reduce water usage and efficiently recycle water, efficiently use and recycle resources at all business sites, minimize energy consumption and waste emissions, and ensure the health and safety of customers through the production of safe and environmentally friendly products.
2. Regularly monitor the operation of the environmental management system and prioritize environmental aspects in corporate management activities.
3. All employees shall familiarize themselves with this environmental policy and goals through education and training and continuously develop the environmental management system to implement the environmental policy and achieve the environmental goals. In addition, the environmental policy shall be the basis for all business activities and efforts shall be made to achieve the environmental goals.
4. SUHEUNG is committed to achieving the following environmental goals.
  - Reduce Scope 1, 2, and 3 emissions by 3% by 2025 compared to 2022
  - Reduce company-wide water consumption by 5% by 2027 compared to 2022
  - Reduce company-wide hazardous chemical usage by 3% by 2025 compared to 2022

## II. Operation of Environmental Management Policy

SUHEUNG has appointed the Environment Department as a dedicated environmental organization. The head of the Management Division, who is in charge of the Environment Department, oversees the implementation of this policy and updates it regularly. The Environment Department also communicates any changes to stakeholders. Inquiries regarding this policy shall be received and handled by the Environment Department.

# Environmental Management Regulations

Enacted: May 30, 2022

SUHEUNG minimizes the environmental impact of its business activities and strives to prevent environmental pollution and preserve the environment. SUHEUNG has established an ISO 14001 environmental management system and continuously monitors environmental impacts, and all employees are familiar with environmental management policies and regulations and practice them.

## I. General Provisions

### 1. Purpose

This policy aims to establish management procedures to prevent environmental pollution and environmental damage caused by manufacturing activities.

### 2. Objective

- ① Reduce company-wide water usage and water pollutant emissions by 1% per year from 2022 to 2025.
- ② Reduce company-wide air pollutant (dust (PM 10), NOx, SOx) emissions by 1% per year from 2022 to 2025.
- ③ Increase the company-wide waste recycling rate to 60% by 2027 to 2022, recycling a total of 2,145 tons of waste.
- ④ Reduce company-wide hazardous chemical emissions by 1% per year from 2022 to 2027, achieving 49.9 tons of NaOH and 2.4 tons of PCE.

### 3. Scope of Application

This policy applies to all our local and international business sites and employees. All stakeholders, including customers, employees of business partners, local communities and residents, and employees of governmental institutions affected by the company's business, are also encouraged to comply with this policy and promote joint environmental protection and improvement. If necessary, separate policies or procedures may be established and operated.

### 4. Responsibilities

The Environment Department, a dedicated environmental organization, and the head of the Management

Department shall oversee the implementation of this policy.

## **5. Review frequency**

This policy shall be regularly reviewed by the Environment Department once a year based on domestic and international laws and international standards and the previous year's activities, and if revisions are necessary, they shall be approved by the person in charge. Any changes will be shared with stakeholders. Inquiries regarding this policy shall be received and handled by the Environment Department.

# **II. Environmental Management Regulations**

## **1. Water Quality Management**

SUHEUNG complies with the Water Environment Conservation Act and establishes wastewater treatment management regulations to properly manage and protect the health of customers, partner companies, local communities and residents affected by the company's business. The activities to manage wastewater generated within the business sites and to prevent environmental accidents are as follows.

- We set quantitative goals for water pollutants and manage them through self-analysis and measurement agency.
- We receive approval for the inflow of wastewater into the wastewater terminal treatment plant.
- When waste, such as sludge, is generated, we store and treat it in accordance with waste management regulations.

## **2. Air Management**

Considering the environmental policies, important environmental aspects and air pollutant emission legal standards and constant processes, SUHEUNG strives to minimize pollution by replacing equipment and consumables. The activities for managing air pollutants are as follows.

- We conduct periodic inspections of air pollution prevention facilities and take prompt action in the event of an abnormality.
- We establish quantitative goals for air pollutants and determine the current operational status through pollutant measurement agency.

## **3. Waste Management**

To minimize the environmental impact occurred during the storage and disposal of waste from

manufacturing activities, SUHEUNG categorizes waste into general waste, designated waste, and medical waste and manages them according to management standards. The activities to minimize the environmental impact of waste are as follows.

- We prevent raw materials and products from becoming waste.
- We verify the waste disposal company's permit or recycling report certificate, and the confirmation regarding the entrusted processing capability.
- We observe and manage the monthly fluctuations in the amount of waste generated.

#### **4. Chemical Substance Management**

To minimize the environmental impact of all stakeholders affected by business such as customers, partner companies, local communities, residents, and government institutions, SUHEUNG establishes procedures to prevent environmental harm caused by chemical substances and to ensure proper management of hazardous chemicals. Activities to achieve chemical substance management are as follows.

- We conduct chemical emissions and statistical surveys every year, and manage quantitative goals for usage of chemical substances.
- We provide hazardous chemical training for relevant employees on a regular basis.

# Biodiversity Policy

Enacted: May 24, 2022

Revised: June 1, 2023

SUHEUNG respects the value of biodiversity, which is essential for the survival and prosperity of all living beings. We strive to preserve biodiversity and create a sustainable ecosystem across all our business operations. With a strong sense of responsibility for the ecosystem, we provide education on biodiversity and ecosystem conservation and undertake various related activities. Additionally, we do our best to minimize any negative impact our operations may have on local communities and natural ecosystems.

## I . General Provisions

### 1. Purpose

This policy aims to grasp how our management affects biodiversity, minimize our environmental impact, and constantly make improvements.

### 2. Objective

SUHEUNG is committed to maintaining and enhancing local biodiversity through pollutant management. We also strive to achieve the following company-wide goals.

- ① By 2050, we aim to manage our air and water pollutant emissions at levels 50% below the legal standard as of 2022, in order to minimize our impact on the environment.
- ② We aim to reduce our discharge of water contaminants by 1% each year compared to 2022, reaching levels of 14.7 tons for water contaminants, 0.49 tons for BOD, 0.42 tons for SS, 4.2 tons for T-N, 0.102 tons for PM10, and 4.5 tons for NOx by 2025.

### 3. Scope of application

This policy applies to all our local and international business sites and employees. We encourage all stakeholders, including customers affected by our business operations, local communities and residents, and employees of governmental institutions, to follow this policy and work together to protect and improve the environment. We may formulate separate policies or procedures for key issues as needed.

### 4. Responsibility



The Environment Division within SUHEUNG's Management Division maintains and enhances local biodiversity through sustainable air and water quality and chemical management. The General Manager (Director of Management Support Headquarters) and department heads are responsible for ensuring compliance with environmental laws and international agreements for environmental protection. The CEO or the BOD reviews and approves revisions to the biodiversity policy, responses to environmental laws and regulations, reports on environmental pollution, and performance of environmental management.

## **5. Review frequency**

We review this policy annually in accordance with local and international laws and standards, as well as data from the previous year's operations. Any amendments to the policy require approval from the person taking final responsibility. We also monitor our operations and achievement of goals in accordance with the policy. If revisions are required, they are approved by the ultimate responsible officer and reviewed and approved by the Chief Executive Officer or the Board of Directors.

## **II. Code of Conduct**

SUHEUNG is dedicated to preserving biodiversity and addressing environmental issues through various activities. We also strive to raise awareness among our employees and are committed to minimizing our environmental impact through the following measures.

- 1. SUHEUNG establishes an environmental management system, achieves its environmental targets, and analyzes its external and internal risks to identify and evaluate its impacts on biodiversity.**
- 2. SUHEUNG continuously provides education for employees as part of the efforts to safeguard biodiversity.**
- 3. SUHEUNG minimizes the adverse impact of its product manufacturing process on local communities and natural ecosystem.**
- 4. SUHEUNG regularly reviews its policies aimed at conserving biodiversity and ecosystem, such as air, water, waste, and toxic substance management guidelines, and ensures its compliance with them.**
- 5. SUHEUNG is committed to minimizing its impact on the environment by managing its air and**

**water pollutant emissions at levels 50% below legal standards, in order to protect our planet.**

## Sustainable Consumption Policy

Enacted: January 3, 2022

Revised: June 1, 2023

SUHEUNG promotes the efficient use of resources and eco-friendly production, encouraging consumers to make choices with the environment in mind. This contributes to the well-being and sustainable life of humanity. In pursuit of our sustainable consumption policy, we strive to create a culture of future-oriented consumption where economic growth and environmental protection go hand in hand.

### **I. Purpose**

Our sustainable consumption policy aims to minimize our environmental impact, fulfill our social responsibility to create a sustainable society, and implement eco-friendly and sustainable management practices.

### **II. Definition of Sustainable Products**

SUHEUNG's sustainable products are products that apply efforts to save resources, improve resource circulation, and minimize carbon emissions in the entire process of production, consumption, and disposal.

### **III. Scope of Application**

This policy applies to all our local and international business sites and employees. We encourage all stakeholders, including customers affected by our business operations, local communities and residents, and employees of governmental institutions, to follow this policy and work together to protect and improve the environment. We may formulate separate policies or procedures for key issues as needed.

### **IV. Objective**

SUHEUNG is committed to reducing the environmental impact of its products throughout their life cycle. We also refrain from using ingredients that may have harmful effects on customers and contribute to the community by producing products that are safe for the human body.

### **(1) Minimizing Environmental Impact from End-of-Life Products**

Based on 2022, we aim to achieve a product recovery rate of 5% by 2040.

### **(2) Improving customer health and safety**

We aim to maintain zero product recalls or safety incidents per year by 2030.

## **V. Responsibility**

The General Manager (Head of Management Support) and each department head shall oversee the compliance of their respective departments and suppliers with this policy to ensure sustainable procurement and product development, and management of environmental impacts from used products. The CEO or the BOD shall review and approve revisions to the Sustainable Products Policy, legal and regulatory responses in the field of product quality, product recalls, and the performance of customer-centered management.

## **VI. Review Frequency**

This policy is posted on the internal intranet for all employees to check, and it is reviewed once a year based on domestic and international laws and regulations, international standards, and the previous year's activities. We also monitor the status of our operations and goal achievement in accordance with the policy. If revisions are necessary, they must be approved by the final responsible person and are reviewed and approved by the CEO or the Board of Directors.

## **VII. Sustainable Consumption**

### **1. Mitigating resource consumption**

- SUHEUNG strives to minimize the use of resources utilized for business operations.
- SUHEUNG undertakes a variety of initiatives to reduce its resource consumption. These include making our products and packaging materials lighter, improving production efficiency through technological advancements, reducing waste generation, decreasing our use of plastic, extending the lifespan of our products, and eliminating unnecessary materials.

### **2. Promoting resource circulation**

- SUHEUNG carries out a range of activities to promote resource circulation, such as recycling, using recyclable, renewable, and biodegradable materials, and designing our products to be easily recyclable.

### **3. Minimizing carbon emissions**

- SUHEUNG works on innovative improvements to lessen carbon emissions throughout the entire product lifecycle, and strives to minimize its carbon emissions from its business operations.
- To minimize carbon emissions, SUHEUNG uses materials created with energy-saving technologies, increases the use of renewable energy at its business locations, and adopts low-carbon modes of transportation.

## **IX. Improving Customer Health and Safety**

### **1. Improving Customer Health and Safety**

- SUHEUNG minimizes negative impacts on the health of customers and consumers by providing safe products to customers.
- SUHEUNG promotes various activities such as operating a quality management system and organization, acquiring quality management certifications, operating a product recall process, and conducting quality training in order to release safe products.

# Safety and Health Management Manual

Enacted: October 27, 2022

## I. Safety and Health Management Policy

At SUHEUNG, the safety and health of our employees is our top priority. We work together with labor and management to promote prevention activities and continuously improve safety. To achieve this, we establish and actively implement a safety and health policy.

1. We always communicate our safety and health goals and values with both management and all of our workers to ensure everyone is on the same page.
2. We are committed to providing a safe and healthy working environment at every stage of our operations.
3. We clearly understand and strictly comply with the safety and health-related laws and regulations, and company regulations.
4. We periodically identify safety and health risks in advance.
5. We strive to improve the health of all our workers by continuously improving our work environment and promoting activities to prevent musculoskeletal diseases.
6. We take a proactive and systematic approach to managing health from the very beginning, using a prevention-focused health management system.
7. We work together with representatives of our employees to identify and address issues, continuously improving our safety and health environment through their participation and consultation.

## II. Establishment of Safety and Health Plan

SUHEUNG establishes a safety and health management plan for the following year by the end of December every year for employees and business sites subject to safety and health management. The safety and health management plan includes the following items.

- (1) Management policy on safety and health
- (2) Composition, personnel and roles of the safety and health management organization
- (3) Budget and facility status regarding safety and health
- (4) Safety and health performance of the previous year and activity plan for the following year
- (5) Other matters concerning safety and health management

### **III. Safety and Health Education for Workers**

Safety and health managers prepare an annual safety and health education plan by the end of each year, report it to the chief safety and health manager, and notify it so that education can be conducted systematically to prevent safety accidents in advance.

1. Safety and health education for workers
  - Onboarding training
  - Regular education
  - Job training when there are changes to the work
  - Special safety and health education
  - Safety and health education for supervisors
2. Job training
  - Education for chief safety and health managers
  - Education for safety managers
  - Education for health managers
  - Education for safety and health managers

### **IV. Health and Safety Activities of Workers**

SUHEUNG endeavors to create a safe working environment for employees and workers and supports the health of its members. To this end, we place the highest priority on the safety and health of everyone working together and implements the following activities.

- Health care office support
- Work environment measurement
- Risk assessment
- Job-related stress examination
- Provision of safety and health education
- Musculoskeletal disease prevention management
- Health promotion program
- Suggestion box for safety and health
- Protective equipment fitness check

### **V. Preparedness and Response to Emergencies**

We take steps to minimize the impact of unexpected events on our employees, the environment, and our operations, including the loss of lives, property damage, and loss of production. To achieve

this, we establish emergency recovery plans and preventive measures, which we operate systematically and effectively. For this purpose, we prepare and establish the following response scenarios.

- Fire accidents
- Gas explosion / leakage accidents
- Accidents caused by equipment
- Accidents in enclosed space
- Leakage of hazardous substances
- Falls from heights
- Electrical shocks

## **VI. Safety Work Permit System**

We take safety and health measures prior to commencing work to prevent industrial accidents by prescribing safety work permit procedures for hazardous tasks conducted within the workplace. The work subject to the safety work permit includes the following tasks.

- Fire-related work: welding, melting, polishing, drilling or tasks that generate sparks or flames
- General hazardous work: work involving risks such as moving machinery, handling heavy objects (20kg and above), high altitude, high temperature, dust and electric shock
- Enclosed space work: work in enclosed spaces or where oxygen deficiency is expected such as inside silos, tanks, and dust collectors

## **VII. Health and Safety Management for Customers**

SUHEUNG provides the data on the products handled and the components of the products to the customers. We affix labels or provide instruction on product containers and packaging for products that may harm customer health and safety, such as hazardous substances. We may operate a communication channel for health and safety, where customers can actively participate at all times.

## **VIII. Communication Management**

The procedures for receiving, documenting, and responding to communication from external stakeholders regarding the company's integrated management system, safety and health factors, and related information are described as follows.



## General Procedures for External Communications

Work process	Main content	Team in charge	Note
Receipt	- Receive verbally, wired, or documents from external stakeholders	Safety and Health Division	
Record	- Record the received information on the communication management register - Deliver to the relevant department if necessary	Safety and Health Division	Communication management register
Review	- Review safety and health information contents and handling plans - Select teams for processing - Record contents of review	Relevant department under the Safety and Health Division	Communication management register
Notification / report	- Notify safety and health information - Consultation and decision on measures	Relevant departments under the Safety and Health Division	For emergencies, report first and then record
Measures taken / education	- Take action according to the handling procedures - Relevant employee education if necessary - Notify the relevant departments of the results	Safety and Health Division	Communication management register
Reply	- Write and send official reply (upon request)	Safety and Health Division	Record management
Promotion	- Document the handling cases and share with employees	Safety and Health Division	

# Sustainable Supply Chain Policy

Enacted: January 3, 2022

Revised: June 1, 2023

At SUHEUNG, our vision is to help our customers grow, empower our employees to develop, and contribute to sustainable growth and prosperity for humanity through our business. To unlock this vision, we comply with international norms and standards and foster a transparent and fair trading culture. We adhere to the basics and principles with a strong sense of responsibility towards society and our company. Our policy is aimed at sustainable supply chain management to achieve sustainability in our supply chain.

## I. General Provisions

### 1. Purpose

The purpose of this policy is to establish guidelines for sustainable procurement, supplier compliance with our Code of Conduct, and the pursuit of shared growth to ensure sustainable supply chain management.

### 2. Objective

SUHEUNG closely checks compliance with domestic and international regulations related to the environment and society when selecting and re-contracting suppliers. In addition, we periodically evaluate suppliers and proactively manage risks in order to work with suppliers without any violations. To this end, we set and manage the following goals.

- 1) Our objective is to inform all our suppliers of this policy annually until 2025 and encourage them to follow it.
- 2) Our objective is to conduct regular supplier ESG assessments of all our suppliers once a year by 2030, and to recommend that at least 70% of our suppliers implement corrective actions.

### 3. Scope of application

This policy applies to all our business sites and stakeholders, including workers of suppliers who have signed or are expected to sign a contract with us, local communities and residents, and employees of governmental institutions. We may formulate separate policies or procedures for key issues as needed.

#### **4. Responsibility**

The Procurement Team shall manage supply chain risks and supervise its employees to ensure compliance with this Policy. The General Manager (Head of Management Support) and each department head shall manage and supervise the compliance of their respective department personnel and suppliers with this Policy for sustainable procurement and supply chain management. The CEO or the BOD shall review and approve the revision of the sustainable supply chain policy, the response to laws and regulations in the supply chain field, the receipt and handling of grievances from suppliers, and the performance of supply chain management.

#### **5. Review frequency**

This policy is reviewed internally once a year for all employees based on domestic and international laws and regulations, international standards, and data from the previous year's activities. We also monitor our operations and achievement of goals in accordance with the policy. If revisions are necessary, they will be approved by the final responsible person and reviewed and approved by the CEO or the Board of Directors.

## **II. Guidelines on Sustainable Supply Chain Management**

### **1. Supply chain ESG risk management**

When selecting key suppliers, we thoroughly review a wide range of factors, including non-financial elements such as ethical management, human rights and labor, safety and health, environment, procurement, and quality. We also assess financial factors through our own credit assessment process. After selection, we continuously monitor our suppliers to manage their sustainability and mitigate the risk of any issues arising.

#### **1) Supplier selection**

According to our supplier management regulations, we conduct pre-ESG assessments of key manufacturers of raw and subsidiary materials, wholesalers, manufacturing equipment makers, and processing companies that are important for procurement continuity, strategies, and technologies. Only those who receive a grade of C or above are eligible to become our suppliers.

#### **2) Compliance with supplier assessment principles**

Once companies are evaluated as eligible and selected as suppliers, we should abide by the following principles.

- ① We provide equal opportunities for all suppliers to participate in bidding.
- ② We discuss trading terms, conditions, and procedures with all suppliers on an equal footing.
- ③ We do not engage in any unfair transactions prohibited by laws and regulations.
- ④ We do not make unjust requests or receive illegitimate gains by abusing our advantageous position.

### **3) Regular supplier ESG assessment**

To identify and manage supplier risks from an ESG perspective, our Procurement Division conducts an annual supplier ESG assessment. This regular assessment focuses on the following areas:

- ① Ethical management ② Human rights and labor ③ Safety and health ④ Environment ⑤ Procurement
- ⑥ Quality

### **4) Assessment results**

Based on the assessment results, we offer opportunities for volume increases and priority negotiations to suppliers who receive high grades (grade A). For suppliers who need improvement, we request corrective action plans and support their implementation. Suppliers who are evaluated as unsatisfactory (grade E) are asked to make improvements. After these improvements are made, we reassess them and decide whether to maintain their supplier status or not.

## **2. Supplier agreement on the compliance with the Code of Conduct**

SUHEUNG has established a Code of Conduct for Suppliers to manage their sustainability in areas such as ethical purchasing, human rights and labor, environment, ethical management, safety and health, and management systems. We provide this Code of Conduct to our key suppliers and sign an agreement with them. We also offer this Code of Conduct to all trading parties and encourage them to adhere to it.

### **1) Human rights and labor**

Suppliers must respect the human rights of their employees and create a healthy working environment. This includes working to eliminate all forms of human rights abuses, including forced labor, child labor, harassment, and discrimination, as well as ensuring the right to form and join trade unions. They should also have monitoring and reporting mechanisms in place, as well as remedy procedures.

### **2) Environmental protection**

Suppliers shall establish a management system for energy consumption, greenhouse gas emissions, and air pollutant emissions to minimize negative impacts on the environment, including air, water, and soil, and

shall monitor the relevant figures at all times. In addition, wastewater, pollutants, and wastes shall be properly treated and discharged in accordance with laws and regulations.

### **3) Ethical management**

Suppliers shall not engage in illegal behavior such as bribery, embezzlement, kickbacks, corruption, gift giving, fraud, etc. They must strictly comply with all laws and regulations related to fair trade, and operate a reporting channel so that workers can report unethical behavior.

### **4) Safety and health**

Suppliers must establish a safety management system to ensure the safety of their employees. They must also regularly conduct safety training and education to prevent accidents, and provide personal protective equipment to ensure that workers are not exposed to harmful or safety hazards.

### **5) Management system**

Suppliers shall establish regulations and systems for human rights and labor, environmental protection, ethical management, and safety and health with the approval of management, and regularly check the operation status. In addition, we guide employees to read and comply with each regulation, and provide relevant training when necessary.

## **3. Support for suppliers**

With a firm belief that shared growth with our suppliers is an integral part of building a competitive supply chain. To this end, we operate a range of programs to promote mutual growth. Through these programs, we actively communicate with our suppliers and help them enhance their competitiveness.

### **1) Financial support**

We ensure 100% cash payment and make early payments before national holidays to help our suppliers manage their funds smoothly.

### **2) Technological support**

We collaborate with our suppliers through joint development and technology support to help them enhance their competitiveness.

### **3) Educational support**

We provide a variety of educational programs conducive to their enhanced capabilities.

#### **4) Channels for communication with suppliers**

Through our communication channels for suppliers, we actively listen to and address their concerns and grievances.

### **III. Guidelines on Sustainable Procurement**

These guidelines apply to all material sourcing and the entire supply chain to ensure that we fulfill our social responsibility in this regard. We adhere to the following principles.

1. When conducting procurement activities, we consider the sustainability of our supply chain in terms of non-financial value, such as labor and human rights, corporate ethics, the environment, and safety.
2. In our procurement activities, we ensure compliance with relevant laws and regulations, such as tax law, fair trade acts, and business accounting standards.
3. We offer a variety of education and support programs to help them build capacity, thereby achieving shared growth with them.
4. We strive to secure stable supply sources while considering the economic sustainability and competitiveness of our supply chain.

## Green Purchasing Policy

Enacted: January 02, 2022

SUHEUNG adheres to the principle of prioritizing eco-friendly products in our procurement of goods for our business and production operations. By doing so, we contribute to the conservation of resources and the mitigation of environmental impacts, and ultimately uphold the sustainability of human life and the preservation of the Earth's ecosystem.

### I. Purpose

The purpose of this policy is for SUHEUNG to make a positive contribution to society by minimizing environmental impact through green purchasing activities and fulfilling its social responsibilities to create a sustainable society.

### II. Definition of Green Products

Green products refer to the products that meet or exceed the quality and cost standards of other products serving the same function, while minimizing the adverse impacts on the environment, resource and energy consumption, and human health throughout their life cycle. Green products are either designated by public authorities for green procurement purposes or certified as eco-friendly by accredited bodies.

### III. Scope of Application

This policy covers all materials purchased, including raw materials, equipment materials, and consumable materials necessary for company management and product production, and applies to all domestic and overseas business sites, employees, business partners, and all stakeholders.

### IV. Objective

SUHEUNG strives to minimize environmental impact by replacing raw materials, equipment materials, consumable materials, etc. with less harmful or toxic materials.

- Based on 2022, we aim to increase the amount of eco-friendly purchases by 5% by 2030.
- We will provide this policy to all domestic and overseas business sites, employees, suppliers, and all stakeholders once a year and encourage them to comply with it.

### V. Responsibilities

The General Manager (Head of Management Support Division) and each department head shall manage and supervise the compliance of their respective department personnel and business partners with this policy for sustainable procurement and supply chain management.

## **VI. Review Cycle**

This policy is posted on the intranet so that all employees can check it, and regular reviews are conducted once a year based on domestic and international laws and regulations, international standards, and the previous year's activities. We also monitor the progress of our operations and goals in accordance with the policy. If revisions are necessary, they must be approved by the final responsible person.

## **VII. Green Purchasing Policy**

SUHEUNG adheres to the following policies to fulfill its social responsibility through green procurement activities.

1. We comply with environmental laws and uphold our corporate social obligations by engaging in green procurement.
2. We establish a collaborative and mutually beneficial relationship with our partners for green procurement activities.
3. We continuously seek to identify and procure eco-friendly products to increase our green purchases.
4. We prioritize 'green products' over other products when making purchasing decisions.
5. We set annual green purchase targets and monitor our performance.



## CSR Policy

Enacted: May 2, 2022

Revised: June 1, 2023

Since our founding in 1973, SUHEUNG has provided medical supplies and health functional foods with a focus on upholding the dignity of human life. Our mission is to safeguard the health and well-being of humanity, and we fulfill our corporate social responsibility (CSR) and makes every effort to enhance the safety and convenience of all stakeholders. On the strength of advanced technologies, we play a leading role in the global market, and contribute to both our local and global communities.

### **I . General Provisions**

#### **1. Scope of application**

This policy applies to all our business sites and stakeholders, including workers of suppliers who have signed or are expected to sign a contract with us, local communities and residents, and employees of governmental institutions.

#### **2. Review frequency**

We review this policy annually based on external and internal circumstances, and monitor the progress of its implementation.

#### **3. Policy compliance**

SUHEUNG adheres to the commitments outlined in this policy and takes appropriate action in the event of a serious breach.

### **II. Pledge Statement**

SUHEUNG ensures that its products are manufactured in a sustainable manner. To achieve this, we undertake a range of initiatives to protect the environment and make decisions with the interests of local communities and stakeholders in mind. For sustainable management, we operate our business in accordance with the following policies.

### **1. Compliance with ethical management**

- SUHEUNG delivers ethical management and sticks to labor standards defined by local and overseas laws.
- Our Code of Ethics covers a wide range of areas, including our responsibility for employee safety and health, prohibition of workplace bullying and discrimination, prohibition of conflicts of interest and bribery, prevention of money laundering, and compliance with the law. All our employees are expected to be familiar with this code and are encouraged to report any violations.

### **2. Workplace safety and environment**

- SUHEUNG is committed to maintaining and improving a safe working environment.
- We abide by local and overseas environmental laws as well as standards for health and safety, and endeavor to safeguard the environment and prevent environmental and workplace accidents.

### **3. Data security and personal data privacy**

- SUHEUNG is well aware of the risks associated with data security and personal data protection.
- We take preventative measures to safeguard sensitive information and ensure secure data management.

### **4. Environmental protection**

- SUHEUNG complies with environmental laws and international agreements to protect the environment.
- We secure the necessary facilities and personnel to prevent pollution and damage caused by our business operations, and increase our efforts and education on environmental preservation. Additionally, we use eco-friendly packaging materials, recycle, and use resources efficiently to minimize waste.

### **5. Respect for human rights**

SUHEUNG endorses the Universal Declaration of Human Rights presented by the United Nations and recognize the dignity and rights of our employees. We do not discriminate on the basis of race, religion, gender, or nationality. We fulfill our moral obligations and strive to create a fair and equal working environment. Our key principles include:

- Prohibition of forced labor
- Prohibition of child labor

- Compliance with occupational safety and health laws
- Compliance with employment contracts
- Guarantee of freedom of association and collective bargaining
- Guarantee of equal opportunities
- Zero tolerance for workplace bullying and violence
- Protection of whistleblower confidentiality and prohibition of discrimination
- Operation of a grievance handling system

# Human Rights Charter

Enacted: May 02, 2022

SUHEUNG endorses and adheres to the human rights principles set forth by the UN Human Rights Council's Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and the International Labour Organization Conventions. We support and commit to comply with these principles. In addition, we endeavor to respect the human rights of all our stakeholders, including our employees, partner companies, customers, and local communities.

## **1. Respect for human rights**

We respect the dignity and worth of all our stakeholders and seek to prevent any unjust or abusive treatment.

## **2. Prohibition of discrimination**

We do not discriminate against our stakeholders on the basis of gender, race, nationality, ethnicity, religion, disability, age, or any other grounds in our personnel policies such as hiring and working conditions, and in our delivery of products and services. We apply a zero-tolerance policy for any discrimination.

## **3. Prohibition of forced labor**

We prohibit any form of forced or involuntary labor, including bonded labor and human trafficking, and we respect the right of individuals to freely choose their employment. We do not demand the surrender of identity documents and passports as a prerequisite for employment.

## **4. Prohibition of child labor**

We adhere to the minimum employment age established by the applicable laws and regulations and do not hire any person below the age of 15. In addition, we ensure that young workers below the age of 18 are not exposed to hazardous or detrimental work.

## **5. Compliance with working conditions**

We abide by the labor-related laws and regulations of each country and region where we conduct our business, such as lawful working hours, minimum wage, social insurance enrollment, and rest

and leave.

#### **6. Freedom of association and collective bargaining**

We respect the freedom of association and the right to collective bargaining as provided by law, and facilitate effective communication between the company and its managers and employees.

#### **7. Occupational safety and environmental protection**

We adhere to the national and international environmental laws and regulations, health and safety standards, and conduct regular inspections of the facilities and equipment at the workplace to ensure a safe working environment. We also endeavor to preserve the environment and prevent environmental accidents.

#### **8. Human rights protection for local communities**

We respect the culture of the local community, avoid violating the human rights of the local residents, and support the economic, social, and cultural development of the local residents by enhancing their quality of life.

Joohwan Yang  
CEO of SUHEUNG

# Human Rights Policy

Enacted: December 15, 2022

Revised: June 19, 2024

SUHEUNG aims to identify and prevent actual and potential human rights risks that may occur throughout management activities through this human rights policy.

Supporting the human rights principles of the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights (UNGPs), SUHEUNG aims to internalize the UN Global Compact Ten Principles through this human rights policy.

## I . Scope of Application.

SUHEUNG applies this human rights policy to all business sites in the world that conduct business activities and members of them. We also continue to strive to establish an operating system to manage human rights risks and conduct monitoring activities. Furthermore, this policy applies to all stakeholders including customers and partner companies that are affected by the company's business activities.

## II. Objective

SUHEUNG is committed to promoting human rights for all stakeholders throughout its operations. To this end, we establish and manage the following tax goals for major human rights issues.

Area	Content	Unit	2030 Goal
Working conditions	Compliance with statutory working hours*	%	100
Social dialog	Quarterly labor-management meetings held	%	100
Training	Percentage of employees participating in career training	%	100
Child and forced labor, Human Trafficking	Prohibition of child and forced labor and human trafficking in accordance with local and national	%	100

	laws where our operations are located*		
Diversity, equity and inclusion	Percentage of female employees employed	%	
External Stakeholder Human Rights	Operations with external stakeholder human rights impact assessments	%	70
Occupational Safety	Industrial Accident Rate	%	0

\* Compliance is currently 100% and will continue to be 100% in the future through continuous monitoring

### III. Roles and Responsibilities

The dedicated human rights working group within the planning team of SUHEUNG shall manage human rights management risks and manage and supervise employees' compliance with this human rights policy. The CEO or the Board of Directors shall review and approve the revision of the human rights policy, response to laws and regulations in the field of human rights, reports of human rights damage, and achievements in human rights management.

### IV. Review Frequency

This policy is posted on the internal intranet for all employees to view and is regularly reviewed based on national laws and international guidelines once a year. We also monitor our operations and the achievement of our goals in accordance with the policy. If revisions are required, they will be approved by the final responsible person and reviewed and approved by the CEO or the Board of Directors.

## V. Human Rights Management Practice Guidelines

### 1. Respect for human rights

SUHEUNG respects the dignity and value of all internal and external stakeholders and pays attention to prevent mental or physical unreasonable treatment.

### 2. Prohibition of discrimination

SUHEUNG does not discriminate against stakeholders on the grounds of gender, race, nationality, ethnicity, religion, disability, or age in the operation of the personnel system such as employment or working conditions and in provision of products and services.

### 3. Diversity, Equity, and Inclusion

In order to promote diversity, equity, and inclusion, SUHEUNG actively reviews its internal culture and

external activities such as job and human rights training and community engagement.

#### **4. Prohibition of forced labor**

SUHEUNG does not demand forced labor against an individual's free will, including debt labor and human trafficking, nor require the transfer of IDs or passports as a condition of employment.

#### **5. Prohibition of child labor**

SUHEUNG complies with the minimum employment age defined by the national and regional laws, and does not hire persons aged 15 or below. In addition, when hiring young workers under 18 years of age, we make sure that they do not engage in dangerous or harmful work.

#### **6. Compliance with working conditions**

SUHEUNG abides by the labor relations-related laws of the countries and regions where we operate, such as statutory working hours, social insurance subscription, and holidays and leave.

#### **7. Freedom of association and collective bargaining**

SUHEUNG guarantees the freedom of association and the rights to collective bargaining in accordance with the relevant laws, and provides ample opportunities for employees to communicate between the company and employees.

#### **8. Wages and welfare benefits**

SUHEUNG pays at least the minimum wage stipulated by the laws of the countries and regions in which we do business, and we pay overtime fairly and in accordance with the law. We also support the payment of living wages that exceed the minimum wage so that employees can maintain a decent standard of living. In addition, we will gradually establish a system for calculating the living wage. We will also conduct living wage monitoring at more than 70% of our workplaces by 2030.

#### **9. Occupational safety**

SUHEUNG complies with domestic and international occupational safety laws, health and safety standards, and regularly inspects facilities, equipment, etc. at workplaces to create a safe working environment.

#### **10. Environmental protection**

SUHEUNG complies with the domestic and international environmental laws and the standards for



occupational safety and health and conducts regular inspections on facilities and equipment at the business sites to create a safe working environment. In addition, every effort shall be made to prevent environmental disasters and also to protect the environment.

### **11. Protection of the human rights of local communities**

Based on the respect for the culture of local communities, SUHEUNG ensures that the human rights of local residents are not infringed upon, and supports the economic, social, and cultural advancement, and contribute to improving the quality of life of local residents.

### **12. Education and Career Management**

SUHEUNG recognizes that enhancing the capabilities of its employees is a key factor in corporate competitiveness, and supports appropriate training and career opportunities for all employees without discrimination to foster their careers and expertise.

## **VI. Activities to Raise Human Rights Awareness**

### **1. Human rights education**

In order to prevent any act of discrimination, infringement, maltreatment, or verbal abuse, the following education is carried out every year to enhance employees' human rights awareness.

- Education on sexual harassment prevention in the workplace
- Education on workplace bullying
- Education to improve awareness of the disabled
- Corporate ethics education

### **2. Human rights survey**

In order to minimize negative impacts caused by human rights incidents that can affect management activities, we regularly conduct human rights surveys for employees to identify potential factors that are vulnerable to human rights and implement prompt remedy measures.

### **3. Human rights impact assessment**

SUHEUNG implements the human rights impact assessment to employees and stakeholders affected by the company's management. The human rights impact assessment is conducted regularly to identify human rights infringement factors of all stakeholders and to prevent human rights violations. The results of the assessment are actively reflected in SUHEUNG's human rights management practices.

## **VII. Reporting and Relief of Human Rights Violation**

### **1. Violation of human rights**

- Sexual harassment, sexual molestation, sexual violence, sexual discrimination
- Forced labor, child labor
- Workplace bullying
- All human rights violations or discriminatory acts between employees and stakeholders, internally and externally, other than the abovementioned

### **2. Reporting method**

In the event of a human rights violation while performing duties, such fact should be reported without delay. Reporting is available through the website, postal mail, telephone, and e-mail, whichever is more convenient to the informant. Any disadvantage against the informant is prohibited and the identity of the informant shall be protected in accordance with the informant protection principles.

① Homepage: [Make a report](#)

② E-mail: [sinmungo@suheung.com](mailto:sinmungo@suheung.com)

### **3. Measures after reporting**

Upon receipt of a report, we shall promptly carry out investigations and take appropriate measures according to the procedures set forth in relevant regulations. During the process, neutrality, objectivity, and anonymity are strictly guaranteed, and a zero-tolerance principle is applied to all human rights violations.

# Workplace Bullying and Sexual Harassment Prohibition Policy

Enacted: June 1, 2019

Revised: April 1, 2022

SUHEUNG adheres to a zero-tolerance principle regarding any instances of workplace bullying and sexual harassment, as these are detrimental to the well-being of our employees and the organization. We hereby declare and enforce the following prevention and action regulations that are applicable to all employees.

## **I . Anti-harassment Policy in the Workplace**

### **1. Definition of workplace bullying**

Workplace bullying means any act by an employer or employee that inflicts physical or mental harm on another employee or impairs the working conditions by abusing the position or relationship in the workplace.

### **2. Behaviors deemed as workplace bullying**

- Physical attacks and verbal intimidation
- Frequent swearing or constant verbal abuse
- Insulting or defaming other employees online or offline
- Repeated requests for personal affairs
- Disparaging or ridiculing work skills or accomplishments without valid grounds
- Group harassment, work-related isolation and refusal to assign work without reasonable reasons
- Other acts that cause physical or mental suffering to employees or deteriorate the working environment beyond the proper scope of work

### **3. Prevention of workplace bullying**

- The company formulates and enforces a policy to prevent workplace harassment.
- The company provides training to prevent workplace bullying at least annually.

### **4. Actions taken in response to workplace bullying**

- Any person who becomes aware of workplace harassment may report the fact to the company, and the company, upon receiving the report, conducts an investigation to verify

the fact promptly.

- During the investigation period, the company takes appropriate measures to protect employees who claim to have suffered harm, such as changing the workplace or granting paid leave. In this case, the company does not take any action against the consent of the victim.
- When the investigation results confirm that bullying has occurred, the company takes appropriate measures, such as changing the workplace, transferring, or granting paid leave, if requested by the victim.
- When it is confirmed that bullying has occurred as a result of an investigation, the company promptly takes necessary measures, such as disciplinary action.
- The company consults with the affected employee about the measures before taking disciplinary action.
- The company prohibits dismissal, other disadvantageous conditions, and unfavorable treatment in employment for employees who report the occurrence of workplace bullying and the employee who has been victimized.

## **5. Disciplinary action for workplace bullying**

If the investigation confirms that sexual harassment has occurred, the company takes necessary measures, such as issuing a written warning, requesting a written apology, announcing internally, notifying the department head, referring to the disciplinary committee or other actions depending on the gravity of the case.

# **II. Sexual Harassment Prevention and Measures**

## **1. Definition of sexual harassment**

Sexual harassment refers to any act by employers, superiors, and employees that makes other employees feel sexually offended or disgusted by abusing their authority or position, or by using sexual language or behavior, or sexual demands related to work, and any act that causes work conditions and employment harm due to rejection of such demands.

## **2. Prevention of sexual harassment**

- Employees of the company respects each other's dignity and endeavor to prevent sexual harassment in the workplace.
- The company provides training to prevent sexual harassment in the workplace at least annually.

## **3. Sexual harassment counseling**

- The company strives to offer timely consultation.

- Victims of sexual harassment seek counseling with counselors, superiors, etc., so that the issue can be resolved quickly.

#### **4. Actions taken in response to sexual harassment**

- Any person who becomes aware of sexual harassment in the workplace reports it to the company.
- If the company receives a report as per the previous paragraph or notices the occurrence of sexual harassment in the workplace, it conducts an investigation to verify the fact promptly.
- During the investigation period, the company takes appropriate measures to protect employees who claim to have suffered harm, such as changing the workplace or granting paid leave. In this case, the company shall not take any action against the consent of the victim, etc.
- When the sexual harassment incident is confirmed true as a result of investigation, the company takes appropriate measures, such as changing the workplace, transferring, granting paid leave, if requested by the victim.
- When the sexual harassment incident is confirmed true as a result of investigation, the company promptly takes necessary measures, such as disciplinary action against the offender.
- The company consults with the affected employee about the measures before taking corrective actions such as disciplinary actions.
- The company prohibits dismissal or other disadvantageous conditions and unfavorable treatment in employment to employees who reported sexual harassment and employees who have been victimized.

#### **5. Disciplinary action for sexual harassment offenders**

When the sexual harassment incident is confirmed true as a result of investigation, the company takes necessary measures such as issuing a written warning, requesting a written apology, announcing internally, notifying the department head, referring to the disciplinary committee, depending on the gravity of the case.

# Code of Ethics

Enacted: April 19, 2007

Revised: June 01, 2023

March 20, 2025

SUHEUNG strives to enhance its corporate value through innovative and effective management practices, pursuing mutual growth and development with all its stakeholders, including shareholders. As a publicly listed company, we are dedicated to fulfilling our obligations and responsibilities with integrity and transparency, earning the trust and confidence of our investors. We contribute to national and social progress by complying with all applicable laws and regulations, both domestic and international, promoting fair trade and competition, respecting social norms and values, and participating in various social responsibility initiatives. To cultivate a healthy and ethical corporate culture, we have established the Code of Ethics and implemented it rigorously.

## **I . General Provisions**

### **1. Purpose**

The purpose of this Code of Ethics is to provide the criteria for our company members to understand and practice ethical standards correctly.

### **2. Objective**

SUHEUNG prohibits all forms of corruption and is committed to operating its business fairly. To this end, we establish and manage the following detailed goals for major ethical issues.

### **3. Scope of application**

The Code of Ethics applies to all employees, including those in holding companies. We also encourage stakeholders such as customers, employees of partner companies, local communities and residents, and government officials, who are affected by the company's business, to abide by these ethical standards.

### **4. Role and Responsibility**

The general manager of SUHEUNG and each department head shall manage and supervise employees to comply with the laws and regulations of the Code of Ethics. The CEO shall review and approve the response

to laws and regulations in the field of ethics, corruption reports, and achievements in promoting ethical management.

## **5. Review frequency**

The Code is posted on the internal intranet for all employees to view and is reviewed regularly, including once a year, based on domestic laws and regulations and international guidelines. We also monitor our operations and the achievement of our goals in accordance with the Code. If revisions are necessary, they are approved by the ultimate responsible person and reviewed and approved by the Chief Executive Officer or the Board of Directors.

## **6. Counseling and reporting channels**

We provide channels and dedicated personnel for various stakeholders to directly consult and report ethical violations, including employee misconduct, either anonymously or by name. We guarantee the anonymity of the informant and the confidentiality of the information and prevent unfair retaliation.

① Homepage: [Report](#)

② E-mail: [sinmungo@suheung.com](mailto:sinmungo@suheung.com)

In the event of ethical violations such as employee irregularities, the Company shall establish channels and dedicated personnel where various stakeholders can directly consult and report such violations by name or anonymously.

# **II. Approach to Shareholders and Investors**

## **1. Protection of shareholders' rights**

- The company protects the rights of shareholders and respects their legitimate demands and proposals.
- The company discloses management information faithfully, building mutual trust with shareholders and investors, and endeavors to maximize shareholder interests.

## **2. Equal treatment**

- The company treats all shareholders, including minority shareholders, fairly and equally.
- The company ensures that decisions in management are made considering the interests and rights of all shareholders, avoiding unfair treatment of minority shareholders.

### **3. Active information disclosure**

- The company records and manages financial data according to generally accepted accounting principles, transparently providing financial status and operating performance.
- The company provides accurate management information in a timely manner, complying with relevant laws and regulations, allowing information users, including investors, to make rational investment judgments.

## **III. Approach to Customers**

### **1. Respect for customers**

- The company always thinks and acts from the perspective of customers, striving to provide the best products and services that satisfy and earn the trust of customers.
- The company provides accurate information about products and services and refrains from engaging in exaggerated claims or advertising.

### **2. Customer protection**

- The company protects the interests, safety, and personal information of customers and refrains from engaging in unfair practices towards customers.
- The company respects and complies with the laws related to consumer protection.

## **IV. Approach to Competitors and Partner Companies**

### **1. Fair competition with competitors**

- The company contributes to the development of a corrupt-free and fair society by enhancing the fairness and reliability of transactions, promoting fair competition, and eradicating anti-competitive practices.
- The company respects the principles of free competition and a fair market economy, engaging in fair and legitimate competition with competitors.
- The company respects fair trade practices and complies with relevant laws and regulations on fair trade.

### **2. Fair transactions with partner companies**

- The company seeks mutual development through fair transactions and building trust and cooperative relationships with partner companies.
- The company does not exploit its dominant position to force any form of unfair behavior or exert



influence.

## **V. Responsibility towards Employees**

### **1. Fair treatment**

- The company provides fair opportunities to employees based on their abilities and qualities, without unfair discrimination.
- The company establishes evaluation criteria for employees' qualities, abilities, and achievements, ensuring fair evaluation and compensation.

### **2. Creating a Positive Work Environment**

- The company strives to create a healthy and safe work environment for employees.
- The company supports individual autonomy and creativity and provides fair opportunities for enhancing capabilities, fostering personal growth alongside talent development.
- The company respects employees' independent personalities and fundamental rights, fostering an environment where they can freely propose and make suggestions.

## **VI. Social Responsibility**

### **1. Compliance with domestic and international laws**

- The company complies with not only domestic laws and regulations as a member of the country and the local community, but also internationally accepted laws.

### **2. Contribution to national economic and social development**

- The company contributes to national economic and social development through improved productivity, employment generation, sincere tax payment, and social contributions.

### **3. Environmental protection**

- The company makes efforts to protect nature and preserve a clean environment.
- The company complies with environmental laws and international agreements, preventing environmental destruction, pollution, and damage caused by corporate activities.
- The company ensures the provision of necessary pollution prevention facilities and personnel to prevent environmental pollution.
- The company strictly adheres to safety-related laws and standards, making efforts to prevent

safety hazards in advance.

- Employees strive to create a pleasant and safe working environment within the workplace.

## **VII. Basic Ethics for Employees**

### **1. Establishment of sound corporate culture**

- Employees share the company's management philosophy and empathize with its goals and values, faithfully fulfilling their assigned missions according to the company's business policies.
- Employees create an organizational culture based on smooth communication and mutual trust between superiors and subordinates and among colleagues.
- Employees perform their given duties to the best of their abilities through legitimate means, adhering to all relevant laws and regulations and the company's rules.

### **2. Prohibition of conflicts of interest**

- Employees make efforts to avoid any actions or relationships that conflict with the company's interests. If conflicts arise between personal or departmental interests and the company's interests, employees prioritize the company's interests in their actions.
- Employees do not engage in transactions with the company on behalf of themselves or their related parties.
- Employees do not invest jointly or acquire property with stakeholders.
- If an employee's relative is a stakeholder of the company, the employee report this fact to the ethics department and take measures to avoid conflicts, such as changing job responsibilities when the relative's business is connected to the employee's duties.
- Employees do not engage in transactions with individuals who have left the company due to improper conduct during their employment.

### **3. Prohibition of internal information use**

- Employees do not trade stocks using internal information obtained during their business activities.
- Employees do not provide undisclosed material information that may affect stock prices to third parties without proper procedures.

### **4. Protection of company property and important information**

- Employees protect the company's physical assets, intellectual property rights, trade secrets, and others, and do not use them for personal purposes.
- Employees do not engage in acts such as misappropriation of company funds, embezzlement, or

outflow or unauthorized use of corporate property.

- Employees do not pursue personal gain through their position, engage in unfair trading practices using non-public information obtained from the company.
- Employees do not disclose important information that may affect the company's interests to external parties.

## **5. Prevention of harassment**

- Employees must not engage in any language or behavior that may cause sexual humiliation, including physical, verbal, or visual acts, which would disrupt a healthy relationship among colleagues.

## **6. Prohibition of political engagement**

- During working hours, employees must not engage in political activities within the company and must not use the company's organization, personnel, or property for political purposes.
- While individual employees' right to political participation and political views is respected, they should ensure that their political views or involvement are not misunderstood as representing the company's stance.

## **7. Prohibition of gifts and entertainment**

- Employees must not receive monetary gifts, presents, or entertainment from stakeholders including partner companies.
- Employees must not provide gifts or entertainment to stakeholders including partner companies that exceed socially acceptable norms related to their business activities.
- Employees also refrain from receiving gifts or excessive favors from each other.
- In the event of a sensitive transaction, such as unavoidably receiving money, gifts and entertainment that are outside the scope of socially accepted norms, you must return it without delay and report it to your department head or the ethics department. If it cannot be returned, it shall be reported to the head of the department and the Ethics Department, and the Ethics Department, which received the report of the sensitive transaction, shall handle it appropriately in accordance with relevant laws and regulations and the Company's regulations.

## **8. Prevention of money laundering**

- Employees must not engage in any act that disguises improper money related to illicit funds,

crime, tax evasion, bribery, etc., into legitimate funds in various ways to make it difficult to trace the origin of the funds.

## **9. Prohibition of fraud**

Fraud refers to intentional acts (or omissions) to deceive others, either for personal gain or to evade any obligation or responsibility. Fraud differs from mistakes in that it is an intentional outcome. The company strictly prohibits all forms of fraud, and any actual or suspected cases of fraud should be reported immediately through the channels mentioned above. The term 'fraud' includes, but is not limited to, the following:

- Dishonest or deceitful acts
- Misappropriation of corporate funds
- Embezzlement
- Forgery or alteration of negotiable instruments such as company checks or promissory notes
- Misappropriation of company, employee, customer, partner, or supplier assets
- Diverting cash, securities, supplies, property, or other company assets for personal use
- Unauthorized handling or reporting of company transactions
- Forgery of company records or financial statements for personal reasons or any other reasons

## **10. Compliance with the Code of Ethics**

- All employees must faithfully adhere to the Code of Ethics, and in case of any violation, they will be held responsible for their actions.
- If employees are forced into actions contrary to the Code of Ethics or become aware of any unfair actions, they must report them to the ethics department.
- Thorough investigation and education will be conducted in the event of a violation of the Code of Ethics to prevent recurrence.
- The identity of the reporter and reported contents will be kept confidential, and any disadvantage or discrimination against the reporter in the workplace is prohibited.

# Employee Code of Conduct

Enacted: April 19, 1007

Revised: June 1, 2023

SUHEUNG is committed to increasing its corporate value through proactive and efficient business operations, with the goal of achieving shared growth with all stakeholders, including shareholders. As a listed company, we strive to earn the trust of our stakeholders by fulfilling our duties and responsibilities. We take the lead in promoting fair trade practices, respecting social values, and contributing to national development through various social contribution activities. To support these goals, we have established an Employee Code of Conduct to foster a healthy and fair corporate culture.

## I. General Provisions

### 1. Purpose

The purpose of this Employee Code of Conduct is to present a set of criteria that guides our employees through ethical behaviors and practices in an easy-to-understand manner.

### 2. Objective

We ensure that this Code of Conduct is applied to all employees, maintaining a 100% compliance rate.

### 3. Scope of application

This Employee Code of Conduct applies to the all employees of our subsidiaries including the holding company.

### 4. Responsibility

The General Manager (Director of Management Support Headquarters) and department heads are responsible for overseeing the compliance of our employees with this Code of Conduct and related laws.

### 5. Review frequency

We review this policy annually in accordance with local and international laws and standards, and international guidelines. Any amendments to the policy require approval from the person taking final

responsibility.

## **6. Counseling and reporting channels**

We operate channels for diverse stakeholders to report any ethical breaches, such as misconduct or corruption. Personnel are assigned to consult and handle these reported cases.

① Website: [https://www.suheung.com/bbs/write.php?bo\\_table=em\\_report](https://www.suheung.com/bbs/write.php?bo_table=em_report)

② E-mail: [sinmungo@suheung.com](mailto:sinmungo@suheung.com)

## **II. Employee Code of Conduct**

### **1. Embedding a Sound Corporate Culture into Every Corner**

- SUHEUNG shares its management philosophy with its employees, who understand and align with the company's goals and values. Employees faithfully fulfill their roles and missions.
- Employees foster a corporate culture based on open communication and mutual trust between superiors, subordinates, and coworkers.
- Employees strive to perform their duties in a fair and lawful manner, in compliance with relevant laws and company regulations.

### **2. Prohibition of conflicts of interest**

- Employees strive to avoid conflicts of interest and refrain from engaging in activities that go against the company's interests. In the event of a conflict, the company's interests take precedence.
- It is not permitted to conduct business with the company using one's own name or the name of an interested party.
- Employees are prohibited from making investments or acquiring property with interested parties.
- If an employee becomes aware that their relatives are stakeholders in the company, they must notify the ethics department. If this situation is related to their job, they must take measures such as changing roles to circumvent conflicts of interest
- Employees are prohibited from conducting business with individuals who were dismissed from the company due to misconduct.

### **3. Prohibition of using insider information**

- Employees are prohibited from trading stocks using insider information obtained while performing their duties.
- Employees are not permitted to disclose significant information that could affect stock prices to

third parties without legitimate proper procedures.

#### **4. Protection of company property and important information**

- Employees exercise due care and diligence in the custody, preservation, and utilization of the company's tangible and intangible assets, including but not limited to its property rights, proprietary information, trade secrets, and do not exploit them for any unauthorized or personal purposes.
- Employees refrain from any acts or omissions that may result in the misappropriation, diversion, impairment, or loss of the company's assets, such as embezzlement, fraud, theft, disclosure, or misuse.
- Employees do not seek or obtain any improper benefits or advantages by virtue of their positions or functions within the company, nor shall they engage in any unlawful or unethical transactions or dealings involving the use of non-public information obtained from the company.
- Employees do not disclose or disseminate any confidential information that may affect the company's interests, reputation, or competitive position, unless authorized by the company or required by law.

#### **5. Prevention of sexual harassment**

- Employees respect the dignity and rights of their colleagues and refrain from any conduct that may impair the harmonious working environment, including any physical, verbal, or visual conduct that may be perceived as sexually offensive or coercive.

#### **6. Restriction of political participation**

- Employees abstain from any political activities within the company premises during working hours, and do not utilize the company's resources, personnel, or assets for any political objectives.
- The political rights and opinions of individual employees are respected, but each employee's political views or involvement shall not be construed or misrepresented as the company's stance.

#### **7. Prohibition of offering or accepting bribes or favors**

- Employees do not accept any money, gifts, or entertainment from any stakeholders, such as business partners.
- Employees do not offer or provide any money, valuables, gifts, or entertainment beyond the scope of customary and reasonable social norms to any stakeholders, such as business partners, in relation to the company's business activities.

- Employees do not exchange or bestow any money, valuables, or excessive gifts or entertainment among themselves.

#### **8. Prevention of money laundering**

- Employees are prohibited from any activities or transactions that may involve the concealment, conversion, or transfer of illicit funds or assets derived from criminal activities, such as corruption, tax evasion, and bribery, with the intention or effect of disguising their origin or ownership.

#### **9. Compliance with the Code of Ethics**

- All employees adhere to the Code of Ethics and shall be accountable for their conduct in case of breach.
- Employees report to the designated department if they are coerced or pressured to act contrary to the Code of Ethics or if they witness any unethical behavior.
- Employees prevent recurrence by conducting thorough root cause analysis and training in case of violation of the Code of Ethics.
- When reporting, the identity and the content of the report of the whistleblower are kept confidential, and any adverse or discriminatory treatment in work shall be prohibited.

#### **10. Prohibition of fraud**

Fraud refers to any act (or misconduct) of intentionally deceiving another person for the purpose of obtaining an advantage for oneself or another or avoiding certain obligations or responsibilities. Fraud differs from errors in that fraud is a deliberate and intended outcome. We prohibit all fraud and suppliers shall promptly report actual or suspected fraud through the channels mentioned above. The term 'fraud' includes any of the following:

- Dishonest or deceptive conduct
- Diversion of funds
- Embezzlement
- Forgery or alteration of negotiable securities such as company checks or bills of exchange
- Misappropriation of company, employee, customer, partner or supplier assets
- Conversion of cash, securities, fixtures, property or other company assets for personal use
- Unauthorized handling or reporting of company transactions
- Falsification of company records or financial statements for personal or other reasons.



## Supplier Code of Conduct

Enacted: January 3, 2022

Revised: May 20, 2022

For sustainable management, SUHEUNG sets the Supplier Code of Conduct for human rights and labor, environment, ethical management, safety and health, and management system of partner companies. This Code outlines the basic matters to be followed as partner companies of SUHEUNG, and it is expected that partner companies adhere to this Code. In accordance with the Code, corrective actions may be requested in case of violations, and regular reviews are conducted every year in light of relevant laws and internal and external situations.

### **I . General Provisions**

#### **1. Purpose**

This code of ethics mandates suppliers to comply with laws and regulations and have operational practices prior to establishing a sustainable supply chain. Suppliers doing business with SUHEUNG create a safe working environment, respect the human rights of workers, and establish a management system for ethical management as follows.

#### **2. Objective**

As of 2022, the Code has been applied to 24 out of 24 suppliers, and we will apply 100% to all suppliers every year.

#### **3. Scope of application**

We require that all partner companies that provide products or services of SUHEUNG and have agreements with us to adhere to this Code of Conduct.

#### **4. Responsibility**

The general manager (head of management support headquarters) and each department head oversee and supervise employees to follow the Code of Ethics and laws for environmental protection.

#### **5. Review frequency**

This policy is regularly reviewed annually based on national laws and international guidelines. If revision is needed, approval from the person taking final responsibility should be obtained

## **II. Code of Conduct**

### **1. Human rights and labor**

- Suppliers ensure that there is no discrimination in employment, compensation, education, and other factors based on gender, age, nationality, race, or religion.
- Suppliers guarantee legal work and rights in accordance with local laws and regulations.
- Suppliers do not exceed working hours and days stipulated by law, and guarantee holidays in accordance with the Labor Standards Act.
- Suppliers guarantee the minimum wage and legally provide compensation and welfare benefits for overtime work.
- Suppliers do not use involuntary labor such as forced labor and do not employ children.
- Suppliers guarantee workers the right to associate or join labor unions with other workers.
- Suppliers respect the human rights of workers and do not inflict inhumane treatment, such as sexual harassment, violence, and abusive language.

### **2. Environmental protection**

- Suppliers comply with environmental laws and regulations to obtain and maintain permits and comply with reporting obligations to minimize environmental impact.
- Suppliers document and manage related data to minimize energy consumption and greenhouse gas emissions and reduce air pollutants.
- Suppliers establish a management system for purchase, use, disposal, and recycling for safe management of hazardous chemicals.
- Suppliers manage factors that cause air pollutants in the process, handle them in accordance with laws, and constantly monitor for pollution reduction activities.
- Suppliers endeavor to minimize environmental pollution and save resources.
- Suppliers reduce water and energy consumption in business activities, and properly treat and discharge all wastewater and waste in accordance with laws and regulations.

### **3. Ethical management**

- Suppliers uphold integrity in all business activities.
- Suppliers do not engage in illegal acts such as bribery, embezzlement, graft, corruption, and gift giving.
- All transactions are conducted legally and ethically, and illegal activities are supervised and controlled.
- Suppliers comply with all laws and regulations related to fair trade.
- Suppliers respect intellectual property rights and comply with the Personal Information Protection Act when handling personal information of all stakeholders.

- Suppliers disclose their identity so that workers can report unethical behavior, and prohibit discrimination or retaliation.
- Suppliers transparently disclose corporate information such as financial status and business performance in accordance with relevant laws and regulations.

#### **4. Safety and health**

- Suppliers obtain safety and health licenses in accordance with relevant laws and regulations to ensure the safety of employees.
- Suppliers establish a safety management system and conduct safety training and education to prevent accidents.
- Suppliers conduct regular safety inspections to prevent industrial accidents and diseases.
- Suppliers establish response procedures by type in preparation for emergencies within the workplace and improve them on a regular basis.
- Suppliers provide personal protective equipment when workers are at risk of being harmed or exposed to safety hazards.

#### **5. Management system**

- Suppliers formulate and enforce regulations and systems for human rights and labor, environmental protection, ethical management, safety and health with the approval of the management, and regularly monitor the operating status.
- Suppliers provide training so that workers can read and adhere to this Supplier Code of Conduct.

#### **6. Fraud prevention**

Fraud refers to any act (or misconduct) of intentionally deceiving another person for the purpose of obtaining an advantage for oneself or another or avoiding certain obligations or responsibilities. Fraud differs from errors in that fraud is a deliberate and intended outcome. We prohibit all fraud and suppliers shall promptly report actual or suspected fraud through the channels mentioned above. The term 'fraud' includes any of the following:

- Dishonest or deceptive conduct
- Diversion of funds
- Embezzlement
- Forgery or alteration of negotiable securities such as company checks or bills of exchange
- Misappropriation of company, employee, customer, partner or supplier assets
- Conversion of cash, securities, fixtures, property or other company assets for personal use
- Unauthorized handling or reporting of company transactions
- Falsification of company records or financial statements for personal or other reasons.

We operate channels for diverse stakeholders to report any Fraud. Personnel are assigned to consult and handle these reported cases.

① Website: [https://www.suheung.com/bbs/write.php?bo\\_table=em\\_report](https://www.suheung.com/bbs/write.php?bo_table=em_report)

② E-mail: [sinmungo@suheung.com](mailto:sinmungo@suheung.com)

## Board Diversity & Inclusion Policy

Enacted: September 23, 2024

SUHEUNG has established a Board Diversity and Inclusion Policy to appoint directors with diverse experiences and backgrounds to broadly reflect the views of shareholders and to make decisions in the best interest of the company and its shareholders from an integrated perspective.

### I. General Provisions

#### 1. Purpose

This policy aims to ensure that the Board of Directors is composed of directors with diverse perspectives, experiences, and abilities to ensure that corporate activities lead to the enhancement of shareholder value and the protection of stakeholder interests.

#### 5. Review frequency

This policy will be reviewed periodically, once a year, based on national and international laws and standards.

### II. Basic Principles

SUHEUNG endeavors to practice the following principles to increase the representation of various stakeholders and create an equitable decision-making environment.

**1. When appointing outside directors, we shall consider other diversity items such as gender, nationality, race, ethnicity, cultural background, and other diversity items in order to aim for a balanced BOD.**

**2. Considering the characteristics of the industry of SUHEUNG, we strive to form the Board of Directors with persons who have sufficient practical experience and specialized knowledge in related fields, and strive to ensure that the areas of specialization are not concentrated in a particular profession.**

**3. Provide equal opportunities to all BOD members and establish an environment where they can participate in the BOD without discrimination.**

4. encourage members with diverse backgrounds and perspectives to contribute equally to the decision-making process.