
HUMAN RIGHTS AND LABOR POLICY

DATE : DEC 29th 2023

REV No. : 1st

Background

We respect the dignity and values of our employees at all our workplaces and the members of our suppliers and strive to maintain and enhance the working environment for all to ensure sustainable wellness. We will continue to comply with labor laws and regulations of the countries and regions in which we operate and cater to individual needs of our customers to achieve improvement.

Guided by the Universal Declaration of Human Rights (UDHR), we uphold human rights protection and labor standards of international organizations such as the OECD Guidelines for Multinational Enterprises, the Ten Principles of the UN Global Compact (UNGC), the UN Convention on the Rights of the Child), the Fundamental Conventions of the International Labor Organization (ILO), and the UN Guiding Principles on Business and Human Rights, based on which this Policy is established. We declare that we will respect human rights in all our business operations based on this Policy and local laws and regulations in which we operate.

Applicable Scope

We pledge to respect human rights in all our actions and decisions based on this Policy. This Policy illustrates the basic obligations that should be fulfilled by our employees, suppliers, joint ventures, and others who engage in transactions with us. Our suppliers are required to conform to the Supplier Code of Conduct and Guidelines in addition to this Policy.

Operation System

1. Human Rights Governance

We advocate for human rights and strive to prevent human rights violations. To this end, the Sustainability Committee serves as our highest decision-making body on human rights issues, and reviews and oversees human rights management and related risks. We also formed an organizational unit committed to enterprise-wide human rights management. We fully recognize the importance of close communication with internal and external stakeholders in achieving human rights management. We stress our will for human rights management by regularly sharing the updates of this Policy with all our stakeholders from our employees to our suppliers. We also collect their opinions and ideas through various channels and promote their engagement to enhance our human rights management practices.

2. Human Rights Risk Management System

We operate the human rights impact assessment (HRIA) process to identify and manage human rights risks. All our workplaces, joint ventures, and suppliers are subject to the assessment. We identify human rights risks prior to advancing into a new business sector and forming a new partnership.

3. Human Rights Risk Mitigation

For human rights risks identified through the HRIA, we analyze the root causes and devise corrective measures to mitigate the risks in collaboration with relevant departments.

4. Grievance Procedures

We provide channels for reporting human rights violations. We operate an internal bulletin that guarantees anonymity while offering ethical management counseling for and receiving related reports from external and internal stakeholders both online and offline.

When a human rights violation is reported, remediation is discussed after investigating and reviewing the related details. We make sure to keep all information related to the reported incident and

whistle-blower confidential and to protect the whistleblower from any possible retaliation.

Among the matters reported, those that are materially illegal or improper shall be escalated and reported to the CEO in accordance with our internal regulations.

We neither require the waiver of legal rights nor impede the access to judicial or non-judicial mechanisms under any circumstances, and in the event it is required, we fully cooperate.

Detailed Operation Guidelines

1. Respect for Human Rights

We respect the human rights of all our employees and strive to prevent all forms of human rights violations in the workplace.

2. Forced Labor Prohibition

We do not force labor against our employees' will by means of physical or emotional restraint including the imposition of commissions for joining or maintaining employment at our company, bonded labor, slavery, and human trafficking. We do not keep personal documents of workers, such as ID cards, passports, and work permits issued by the government, on the grounds of employment.

We do not restrict our employees' freedom of bodily movement, including the use of restrooms and staff lounges, outside healthcare facilities, factories, and dormitories. All our suppliers, contractors, and workforce recruitment agencies must conform to these requirements.

3. Child Labor Prohibition

We do not hire children under 15 and make sure that all our suppliers comply with this requirement (or the minimum age requirement of each individual country in which we operate if it is stricter). All our workplaces in Korea and beyond and our suppliers must follow the stringent admission procedures (age verification, etc.) when recruiting new employees and apply zero tolerance to all forms of child labor. When detecting cases of child labor, check the children's health condition first and return them to their place of residence or provide support for the completion of compulsory

education.

4. Employment of Young Workers

Young workers under 18 (including students, interns, trainees, and apprentices) should be hired in compliance with labor laws and regulations of individual countries and regions and strictly excluded from high-risk and harmful tasks, including night shifts and overtime shifts. Wages of young workers should be equal at minimum to those of new employees charged with similar tasks.

5. Working Hours

We comply with the ILO convention on working hours. Regarding regular working hours, overtime, break time, and holidays, we follow the highest standards among this Policy, international standards, and labor laws and regulations of the country or region in which the workplace is located. Overtime shifts require the voluntary agreement of workers and the payment of overtime allowances pursuant to local labor laws and regulations of each country or region. Employees are also entitled to take at least one day off every seven workdays. All our suppliers are required to comply with these provisions.

6. Wages

Wages of all our employees are set to exceed the legal minimum wage for living prescribed in labor laws and regulations of each country or region.

7. Discrimination Prohibition

We have a zero-tolerance policy against all acts of discrimination. We prohibit discrimination based on gender, race, nationality, ethnicity, religion, pregnancy, marital status, political conviction and sexual identity as well as discrimination in relation to recruitment, promotion, wages and rewards, employee welfare, work progress and resignation and dismissal. We strive to root out discrimination and promote an inclusive corporate culture in the workplace.

8. Workplace Sexual Harassment and Bullying Prohibition

We prohibit sexual harassment, sexual violence, and any acts that may incur sexual humiliation in

the workplace, as well as all acts of bullying using the superior organizational status and rank, which harm the physical and psychological health of others. We offer workplace sexual harassment and bullying prevention education and have established easily accessible whistleblowing channels. We also have an effective system in operation to protect victims, impose sanctions against harassers, and implement follow-up measures.

9. Freedom of Association

Freedom of association and collective bargaining rights are guaranteed based on labor laws and regulations of individual countries and regions, and employees must not be treated unfavorably or discriminated against on the grounds of joining or forming a labor union or participating in related activities.

10. Responsible Mineral Sourcing

We take human rights violations and environmental pollution incurred during the mineral mining process seriously and thus do not use conflict minerals (3TG metals and cobalt) sourced from the Democratic Republic of the Congo, its adjoining countries, and other conflict-affected and high-risk areas. We perform inspections on the origins of minerals and our suppliers to ensure adherence to this practice and disclose the findings from such inspections to our customers when requested.

11. Information Protection

We prioritize transparency in every business transaction and require information protection education (e.g., the need for the job transition prohibition agreement and information protection pledge).

12. Protection of Vulnerable Groups

We respect and protect the human rights of the socially disadvantaged as defined by the United Nations Universal Declaration of Human Rights (UDHR). In particular, we fulfill our responsibilities and obligations to respect and protect the rights of vulnerable groups including children, women, people with disabilities, and migrant workers, based on the ILO Declaration on Fundamental Principles and Rights at Work.



13. Respect for Human Rights Advocates

We respect individuals, organizations, and social institutions taking action to protect human rights and freedom (hereinafter referred to as "human rights advocates"). We recognize dire difficulties that human rights advocates around the world face in their activities to promote human rights and do not tolerate any forms of threats, intimidation, retaliation, and physical and psychological attacks against them. We also work hand-in-hand with human rights advocates in an effort to build a safe civil society.

References

This Human Rights and Labor Policy complies with the following declarations, standards, and initiatives.

- UDHR (Universal Declaration of Human Rights)
- International Bill of Human Rights
- UN Guiding Principles on Business and Human Rights
- ILO Fundamental Principles and Rights at Work
- Deferred Action for Childhood Arrivals (DACA)
- OECD Guidelines for Multinational Enterprises
- CEDAW (UN Convention on the Elimination of Discrimination against Women)
- CRC (UN Convention on the Rights of the Child)
- UN Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families)

