

# Dong-A Socio Group's Supplier Code of Conduct

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## Purpose

In terms of sustainability, supply chain management, which refers to the management of the economic, social and environmental impacts of a company's products and services throughout their entire life cycle, places varying demands on the enterprise according to global trends. In response, Dong-A Socio Holdings, the holding company of Dong-A Socio Group, aims to establish a sustainable supply chain by establishing a common supply chain code, in order to adapt to the changing ecosystem, fulfill its social responsibility, and grow together with its partners. Dong-A Socio Group's Supplier Code of Conduct requires that all of its partners comply faithfully with the laws and regulations applicable to the country in which they operate, and with the guidelines set forth by the Dong-A Socio Group in its Regulations on Anti-Corruption, Human Rights & Labour and Environment. This Code of Conduct refers to ISO 26000 (International Standard for Corporate Social Responsibility), which is the social responsibility management strategy of Dong-A Socio Group, the UN SDGs, which Dong-A Socio Group has adopted as its social responsibility management strategy goals, the OECD Guidelines, the UN Guiding Principles on Business & Human Rights (UNGP), and the International Labour Organization (ILO), etc.

## Scope of Application

This Code of Conduct applies to all partners who have signed contracts with Dong-A Socio Group and pertains to every type of transaction. All employees and employees of the partner companies covered by this Code of Conduct shall comply with the laws and regulations of the countries in which they operate and perform their duties in accordance with this Code of Conduct. Furthermore, all stakeholders across the supply chain, including subcontractors, should be encouraged to respect this Code of Conduct.

## Disclosure of Code of Conduct and Administrative organization

This Code of Conduct is managed by Dong-A Socio Holdings' Jeong-Do (social responsibility) Management Team, and may be supplemented and revised on a continuous basis. When revised, the revised contents will be disclosed on Dong-A Socio Group's Jeong-Do Management website (<https://gamasot.dongasocio.com/index.php/en/>).

A third party designated by Dong-A Socio Group or the holding company of the Group may inspect and conduct due diligence on compliance with

the partners' Code of Conduct within the scope of legal permission, and Dong-A Socio Group may recommend a partner to undertake any necessary improvements. All improvement measures and activities shall be established and implemented through consultation. In addition, the partner companies shall take timely action to address any risks that are detected in the supply chain.

## **Chapter 1. Anti-corruption**

Partners shall adhere to the basics and principles and strive to fulfill their social responsibilities based on transparent and correct decision-making.

### **Section 1 Bribery and Corruption**

Partners shall join Dong-A Socio Group in its efforts to create an anti-corruption environment and prohibit all illegal activities, including bribery (money or in kind), conflicts of interest, acts of fraud, money laundering, embezzlement, cover-ups and obstruction of law enforcement, and influential transactions. As such, we must be resolute in preparing and implementing a strict policy to prevent corruption at the highest level of our organization.

### **Section 2 Gifts, Meals and Other Similar Benefits**

Partners shall not directly or indirectly propose, promise, offer, accept, or request money, convenience, or luxurious gifts or meals beyond the usual scope, which are deemed to be acts of abuse of power delegated by employees for personal gain in relation to their work.

### **Section 3 Fair Competition and Non-Collusion**

Partners shall comply with the fair trade laws of the country in which they operate, and shall not engage in acts that may hinder fair competition, such as abuses of market dominance or trading position. In addition, partners shall comply with the prevailing market competition order and provide the same standards to their counterparts before commencing trading on goods and services, and shall not engage in collusion that limits competition, such as unilateral changes of contractual terms and conditions, unilateral termination using trading status, unreasonable adjustments of price or output, and exchanges of business information.

### **Section 4 Conflict of Interest**

Partners shall not engage in any situations or transactions which involve their own private interests when performing their duties or which may impede or hinder the fair performance of their duties, such as using the company's assets and information, etc. when engaging in transactions

with relatives and activities in order to generate profits for employees and employees.

## **Section 5 Transparency**

### **5-1 Taxes**

Partners shall recognize their tax obligations as a social responsibility and comply with the country's tax laws. In addition, they shall fulfill their tax reporting and tax payment obligations in accordance with the laws of the country concerned, and in the event that the tax authorities concerned request an investigation and/or information, they shall cooperate with such investigation faithfully.

### **5-2 Export Control and Economic Sanctions**

Partners shall comply with export restrictions and regulations that regulate the movement of products, technologies, etc. across borders, and manage all necessary documents related to import and export, such as origin documents, according to the established procedures.

### **5-3 Accounting and Business Records**

Accounting officers and employees of partner companies shall prepare and manage accounting records accurately and transparently. Typical money laundering practices are the result of criminal acts such as tax evasion, and are subject to international obligations under the country's anti-money laundering laws. Partners shall not facilitate or support money laundering, and stakeholders shall also comply with the legal regulations relating to the prevention of money laundering, and review and monitor any suspicious transactions continuously. Partners shall also create and maintain documents that do not include concealment, falsehood, etc. in order to comply with the relevant laws and regulations and respond to the requirements of the company and its stakeholders.

### **5-4 Disclosure of Information**

Partners shall transparently disclose financial and non-financial information such as corporate activities, financial status, performance, ownership, and governance in accordance with the relevant laws and regulations. In the event of a request from the government, customers, investors, etc. to disclose information, efforts shall be made to disclose such information to the extent that it does not constitute a confidential leakage.

## **Section 6 Information and Asset Protection**

### **6-1 Privacy**

Partners shall comply with the laws and regulations related to personal information and information security when collecting, storing, processing, transmitting, and sharing the personal information of stakeholders, and shall only manage data by legitimate and fair means. Partners shall not commit any act that may illegally infringe the personal information of customers and partners, and shall not use personal information for any purposes other than those for which it is collected or provide it to third parties.

### **6-2 Information Security and Intellectual Property**

In addition to the partners' information and intellectual property rights, all partners shall manage the confidential information and intellectual property rights of stakeholders acquired during the performance of business according to strict standards. This includes trade secrets or information that requires strict security from customers and partners, and intellectual property rights. Partners shall prohibit their executives and employees from leaking information obtained in the course of performing their job or using it for their personal interests. In addition, partner companies shall use the intellectual property rights of a third party in compliance with the relevant conditions with the consent of that third party, and their employees shall use the company's assets only for business purposes.

### **6-3 Respect for Property Rights**

To supply the best products, partners shall comply with the quality and safety standards and prohibit the use of unauthorized, inauthentic or forged raw materials and products. In addition, partners shall monitor the use of raw materials and the production and distribution of products on a continuous basis. They shall also provide fair compensation for any property acquired or used, and shall not infringe any property rights, including acts of forgery and copyright infringements.

## **Section 7 Reporting of Illegal Acts, Protection of Identity, and Prohibition of Retaliation**

Partners shall operate a system that allows employees to report and handle corruption and grievance issues safely. In operating a reporting system for internal and external stakeholders, the identity of the reporter or the informant shall not be disclosed so as to prevent secondary damages such as retaliatory acts, discriminatory acts, and the imposition of disadvantages in advance. Further, when there is a need for protective measures, we shall do our best to relieve the victims by taking protective measures accordingly.

## Chapter 2. Human Rights & Labour

### Section 1 Non-Discrimination

Partners shall not discriminate against any employee on the grounds of gender, race, ethnicity, nationality, religion, disability, age, family status, social status, or political views, without justifiable reason, in relation to recruitment, promotion, education, wages, benefits, etc.

### Section 2 Compliance with Working Conditions

Partner companies shall comply with the legal working hours of each country in which they conduct their business, and shall pay all employees reasonable remuneration for their work and provide them with an official pay slip.

### Section 3 Humanitarian Treatment

Partners shall respect the privacy of all their executives and employees and thoroughly protect their personal information, and shall not commit acts of mental or physical coercion, abuse, or unreasonable treatment.

### Section 4 Freedom of Association

Partners shall respect the labour relations laws of the country to which this Code of Conduct applies and provide sufficient opportunities for communication to all their employees.

### Section 5 Prohibition of Forced Labour and Child Labour

Partners shall not assault, threaten, or imprison their employees, or force them to work against their free will. In addition, child labour is prohibited in principle, and partners shall take measures to ensure that the educational opportunities of minors are not limited or restricted by work.

### Section 6 Industrial Safety Guarantee

Partners shall regularly inspect the facilities, equipment, tools, etc. of each workplace to ensure that all employees can work in a safe working environment, and shall prepare appropriate measures and support measures for follow-up management, for the purpose of preventing physical and mental risks.

## **Section 7 Protection of the Human Rights of Local Residents**

Partners shall pay attention to preventing violations of the human rights of local residents by executives and employees during the performance of their duties, and protect the health and safety rights of local residents and their freedom of residence.

## **Section 8 Protection of the Human Rights of Customers**

All employees of partner companies shall prioritize the protection of customers' lives, health, and property when providing products and services to them, and shall take all necessary measures to protect their personal information collected through management activities.

# **Chapter 3. Environment**

## **Section 1 Promotion of Resource Efficiency and Minimization of Waste Generation**

Partner companies shall comply with the relevant environmental laws and international standards, recognize that environmental issues are essential management requirements for companies, and endeavor to reduce environmental impacts throughout the process, such as the adoption of measures for preventing environmental problems and the development of eco-friendly technologies. Partners shall strive to improve resource usage efficiency and reduce resource consumption, including raw materials, energy, water and fuel. Partners are also encouraged to develop and use environmentally-friendly innovations and operations in order to eliminate or reduce the generation of waste, increase the conversion of landfills, reuse and recycle resources, and reduce adverse environmental impacts.

## **Section 2 Reduction of Toxic Pollutant and Greenhouse Gas Emissions**

Partners shall take reasonable measures to minimize their greenhouse gas emissions as well as their emissions of toxic and hazardous pollutants. Partners shall reduce their use and generation of air pollutants, minimize their energy consumption and greenhouse gas emissions, and do their best to reduce environmental pollution, such as by complying with the regulations on the use of harmful substances in products.

## **Section 3 Management of Hazardous Chemicals**

Partners shall comply with the relevant laws, regulations and customer requirements, including recycling and disposal markings, in relation to the prohibition or restriction of the use of certain substances in goods and services.

## **Section 4 Management of Water Resources**

Partners shall record, characterize, and monitor the use and release of water resources and water resources, seek opportunities to save water resources, and implement water management programs to manage pollution routes. All water resources shall be characterized, monitored, managed, and disposed of as needed. Partners shall regularly monitor the performance of their water treatment and pollution prevention systems to ensure optimal performance and comply with the regulations.

## **Section 5 Energy Consumption and Greenhouse Gas Emissions**

Partners shall track and record their energy consumption and greenhouse gas emissions, and seek cost-effective ways to improve their energy efficiency and minimize their energy consumption and greenhouse gas emissions.

## **Section 6 Conservation of Biodiversity**

Partners should avoid or minimize negative impacts when conducting business activities in biodiversity conservation areas and neighboring areas, and should do their best to protect biodiversity. Partners should understand the current state of biodiversity around the workplace and seek management measures through regular monitoring.

# **Chapter 4. Management System**

## **Section 1 Management's Willingness and Efforts for Autonomous Compliance**

All partner executives shall fulfill their obligations and responsibilities to ensure that their supply chain management systems and the related programs are implemented on a continuous basis.

## **Section 2 Risk Assessment and Management**

Partners shall develop processes and strategies to identify and control risks associated with the supply chain, including business risks associated with their operations and regulatory compliance. Partners shall determine the relative importance of each risk, and implement appropriate

procedural and physical controls to control identified risks and meet the compliance requirements.

### **Section 3 Management and Assessment of Objectives**

Partners shall meet their objectives regarding legal and regulatory requirements, the contents of this Code, and all customer contractual requirements relating to social and environmental responsibilities, and conduct self-conformity assessments of the outcomes of implementation on a periodic basis.

### **Section 4 Operation of Corrective Action Process**

Partners shall establish a timely and corrective process for any defects identified through internal or external assessments, inspection, investigation and review.

### **Section 5 Communication**

Partners shall establish and implement processes designed to ensure that information about their policies, practices, expectations, and performance is clearly and accurately communicated to employees, suppliers and customers.

### **Section 6 Operation of education and training and feedback participation programs**

Partners shall provide their employees with continuous training programs on the implementation of partner policies, procedures and improvement objectives, meet the applicable legal and regulatory requirements, and comply with this Code of Conduct, and shall also establish procedures to encourage continuous improvements based on employees' feedback.

### **Section 7 Monitoring and Partner Responsibilities**

Partners shall monitor and enforce, on a continuous basis, the standards of this Code of Conduct throughout the supply chain, including subcontractors, and throughout their operations.