

# **KPIC Supply Chain ESG Policy**

**Version 1. 0**

## **Chapter 1. Background and Purpose**

As a member of the international community, we at KPIC are committed to fulfilling our corporate social responsibilities and contributing to a sustainable world. We evaluate all our actions based on whether they are environmentally responsible, ethically sound, and beneficial to society as a whole. With these values in mind, we have established the “KPIC Supply Chain ESG Policy” to be implemented together with our suppliers as partners in shared growth.

This policy outlines KPIC’s commitment to best practices in the areas of labor and human rights, health and safety, the environment, and ethics. It also details the company’s approach to supply chain management, supplier support, and grievance handling. This policy is based on the core conventions of the International Labour Organization (ILO) and the Ten Principles of the UN Global Compact. In cases where the recommended actions in this policy conflict with the laws and regulations of a given country, the national laws shall take precedence.

This policy is subject to regular review and revision to reflect global standards, applicable laws, and changing business environments in pursuit of a sustainable supply chain.

## **Chapter 2. Scope of Application**

This policy applies to all organizations that provide goods and services—such as raw materials, components, labor, and logistics—used in the production of our products.

## **Chapter 3. Supply Chain ESG Management**

### **Article 1. Supply Chain Management**

- 1) Our Corporate Planning and Procurement Division leads ESG management across the supply chain and collaborates to carry out tasks necessary to enhance sustainability.
- 2) When entering into new contracts, we require our suppliers to review this policy and our Supplier Code of Conduct and sign a declaration of compliance.

## **Article 2. Identification and Response to Supply Chain Risks**

We maintain a dedicated reporting channel for supply chain risks, including those related to the environment, labor practices, and unfair trade.

- 1) Anyone involved in our supply chain may report violations of this policy or submit grievances through the Cyber Audit Office website.  
(<https://www.kpic.co.kr/hp/kr/sustain/audit.asp>).
- 2) We strictly protect the anonymity and confidentiality of whistleblowers. All reports are investigated, and outcomes are communicated back to the reporter.

## **Article 3. Supply Chain ESG Assessment and Support**

- 1) We conduct an annual ESG assessment to identify and prevent risks to supply chain sustainability, including those related to the environment, labor practices, and unfair trade practices.
- 2) The assessment criteria are based on our Supplier Code of Conduct and relevant legal and regulatory requirements.
- 3) We primarily use self-assessment questionnaires to evaluate our suppliers, and conduct on-site audits if high-risk issues are identified.
- 4) Based on the assessment results, we continuously monitor risks and offer improvement support programs where appropriate.