

KPIC Supplier Code of Conduct

As a member of the international community, Korea Petro Chemical Ind Co., Ltd. (KPIC) tries to contribute to creating a sustainable world by fulfilling corporate social responsibility. KPIC considers whether our activities are environmental, ethical, or enhance the interests of the whole society.

We established the KPIC Supplier Code of Conduct to practice these beliefs with our suppliers who are in win-win relationships. This Code applies to all organizations providing raw materials, materials, and services used to produce KPIC products. This Code presents what KPIC expects from suppliers. Suppliers shall not only comply with this Code but shall also endeavor to comply with this Code to their subcontractors. KPIC may request confirmation of compliance with this Code and may request improvements on violations if necessary.

This Code is based on international standards and legal requirements. If the actions recommended in this Code contradict the country's law, the country's law should be applied first. If this Code and the country's law differ, stricter standards shall be applied first. This Code may be revised if necessary, and any change will be announced through the Purchase Information Portal website in advance.

KPIC will fulfill its corporate social responsibility and create a sustainable future by complying with this Code with our suppliers.

Labor/Human Rights

Suppliers should respect workers and ensure their human rights and dignity in all corporate activities.

1. All forms of forced labor against the free will of workers, such as exploitation and trafficking, are prohibited.
2. Working conditions, such as working hours, wages, and benefits, shall comply with the laws stipulated by the relevant country and shall be provided in a language that workers can understand.
3. The employment of children under the legal minimum working age shall be prohibited, and workers under 18 shall not be given tasks that threaten their health or safety.
4. Shall not threaten or subdue workers with harsh or inhumane treatment, such as verbal abuse, physical or mental violence, mental and physical coercion, sexual harassment, etc.
5. Shall not discriminate or harass workers due to their race, gender, age, skin color, sexual orientation, ethnic or country of origin, marital or pregnancy, religion, or union membership in employment activities such as recruitment process, wages, promotions, rewards, educational opportunities, etc.
6. Suppliers should guarantee workers the right and freedom to associate, including, but not limited to, the right to freely organize and join unions, the right to collective bargaining, and the right to participate in peaceful assemblies under local laws and regulations, as well as the right to refuse such activities.

Safety/Health

Suppliers should recognize, strive to build, and maintain the importance of a safe and healthy working environment.

7. Suppliers should identify safety hazards (e.g., chemical, fire, electrical, and fall hazards), take preventative measures, conduct safety training and emergency response training continuously, and provide appropriate personal protective equipment to workers if necessary.
8. Suppliers should establish procedures to prevent the recurrence of industrial accidents or work-related diseases by identifying and controlling hazards.
9. Suppliers should conduct a safety inspection and preventive maintenance on mechanical facilities regularly and provide physical protective devices or barriers if necessary.
10. If suppliers provide dormitories or cafeterias to workers, suppliers should maintain them clean and sanitation.
11. Suppliers should conduct safety training necessary for workers regularly and post or place health and safety-related information in readily identifiable locations that are accessible by workers.

Environment

Suppliers should recognize the importance of environmental responsibility and comply with environmental laws and regulations.

12. Suppliers must obtain, maintain, and manage all required environment-related permits, licenses, and registrations necessary for business operation, and reflect the latest legal amendments.
13. Suppliers should endeavor to minimize pollutant emissions and waste discharge.
14. Suppliers should identify and manage chemicals that may potentially prove to be hazardous to humans or the environment for the safe storage, transport, keeping, recycling or reuse, and disposal of the chemicals.
15. Suppliers should identify and manage the characteristics of air pollutants or wastewater generated during the manufacturing process and treat them in accordance with the relevant laws and regulations.
16. Suppliers should endeavor to develop technology to increase energy efficiency and minimize greenhouse gas emissions and resources such as energy and water.

Ethical Management

Management activities of suppliers must comply with the laws and regulations of their countries and follow high standards of ethics.

17. Suppliers should maintain high standards of integrity and strictly prohibit all forms of bribery, corruption, extortion, and embezzlement, including the provision of gifts

and money.

18. Suppliers should comply with the laws related to fair trade and not engage in acts that undermine the order of fair trade, such as unfair trade practices.
19. Suppliers must keep all their transactions transparently and reflect them in the company's accounting books and records accurately.
20. Suppliers should respect intellectual property rights and protect relevant rights when transferring technology and/or know-how. Suppliers must keep KPIC and suppliers' information safely.
21. Suppliers should maintain programs that protect the confidentiality and anonymity of internal whistleblowers, except where prohibited by law.
22. Suppliers shall not use raw materials acquired through unethical methods, such as illegal and serious human rights abuse, including minerals (tantalum, tungsten, tin, gold, etc.) sourced from conflict and high-risk areas.

Management Systems

23. Suppliers should support compliance with this Code and law, identify and minimize risk related to business operation, and establish and strive to operate the management system by improving continuously.

[Reference]

KPIC Supplier Code of Conduct was written by referring to the following criteria.

Universal Declaration of Human Rights

<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

ILO Declaration on Fundamental Principles and Rights at Work

<https://www.ilo.org/declaration/lang—en/index.htm>

ILO Fundamental Conventions

<https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang—en/index.htm>

UN Global Compact 10 Principles

<https://www.unglobalcompact.org/what-is-gc/mission/principles>

ISO 26000

<https://www.iso.org/iso-26000-social-responsibility.html>

UN Guiding Principles on Business and Human Rights

https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusiness_hr_en.pdf

ISO 14001

<https://www.iso.org/iso-14001-environmental-management.html>

ISO 45001

<https://www.iso.org/iso-45001-occupational-health-and-safety.html>

RBA Code Of Conduct 7.0

https://www.responsiblebusiness.org/media/docs/RBACodeofConduct7.0_English.pdf

https://www.responsiblebusiness.org/media/docs/RBACodeofConduct7.0_Korean.pdf

We and KPIC comply with this agreement and promise to fulfill our social responsibilities for the sustainable development of both companies.

1. We exactly understood what was suggested in the KPIC Supplier Code of Conduct. We recognize that compliance with the KPIC Supplier Code of Conduct is an important condition to do business with KPIC and will implement it.
2. If KPIC asks for a survey or data on compliance with the KPIC Supplier Code of Conduct, we will cooperate and respond to the extent that our business activities, intellectual property rights, and other rights are not infringed.
3. We will do our best to comply with the standards set forth in the KPIC Supplier Code of Conduct with our employees and our suppliers.

This consent shall be prepared in two copies, one shall be kept by our company, and one shall be submitted to KPIC.

Date:

Buyer: Korea Petrochemical Ind. Co., LTD

YOONAM Bldg 77, Jahamun-ro, Jongno-gu, Seoul, 03035, Rep of Korea

CEO Gil Soon Kang

Supplier:

Signature