

Hanssem Supplier Code of Conduct

Hanssem recognizes the importance of sustainable management and is making efforts to put it into practice. As part of these efforts, we have established the following norms to practice sustainable management together with our partners. Hanssem respects the autonomy and independence of its partners and recommends that its partners faithfully implement and comply with this code to comply with sustainable management principles and ideologies.

A. Labor

1) Prohibition of forced labor

Suppliers must not use forced or exploited labor, and all work must be done voluntarily. Harmful practices such as threats, violence, and fraud for the purpose of coercing labor are also prohibited.

2) Prohibition of child labor

Suppliers cannot use child labor. "Child" means a person under the age of 15, the age at which compulsory education is completed, or the minimum legal age for employment under local law, whichever is higher. When hiring young workers over 15 years of age or under 18 years of age, they must not perform work that threatens health or safety.

3) Compliance with working hours

Suppliers must adhere to the maximum working hours stipulated by local labour laws. All overtime must be carried out with the employee's consent. Employees must also be paid the relevant legal minimum wage and overtime pay.

4) Wages and benefits

Suppliers must comply with local laws regarding wages and provide salary statements in a timely manner for workers to check whenever wages are paid. In addition, we implement a welfare system to improve the quality of life of workers.

5) Humane treatment

Suppliers must not subject workers to harsh and inhumane treatment, such as violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse.

To prevent this, suppliers must establish policies that guarantee humane treatment and notify workers.

6) No discrimination

Suppliers must strive to eliminate harassment and illegal discrimination in the workplace.

7) Freedom of association

Suppliers must comply with local laws and respect the right of workers to form and participate in a labor union or labor-management council of their choice and the right to collective bargaining. Workers and their representatives must be able to communicate with management about working conditions without fear of discrimination, retaliation, and harassment.

B. Safety and health

1) Industrial safety

Suppliers must identify and control risk factors that may threaten the safety of workers within the workplace. If hazards cannot be properly controlled through this, appropriate personal protective equipment must be provided to workers, continuous safety training must be provided, and information on safety management must be posted in a place where workers can easily see it.

2) Emergency preparedness

Suppliers must identify and evaluate potential emergency situations and situations and implement emergency measures and response procedures to minimize damage. These emergency plans and procedures should focus on minimizing casualties and environmental and property damage.

3) Workplace hygiene

Suppliers must identify and manage workers' exposure to chemical, biological, and physical hazards. If a potential hazard is identified, efforts must be made to prevent it, and if it cannot be controlled, workers must be provided with appropriate protective equipment.

4) Facility safety

Suppliers must evaluate safety hazards in production and other mechanical facilities to ensure

safety within the workplace. If there is a risk of injury from machinery, appropriate safety devices must be provided and maintained.

C. Environment

1) Compliance with environmental laws and regulations

Suppliers must obtain, maintain, and manage the required environmental permits required by relevant laws and keep them up to date. We also comply with legal requirements such as operation and reporting required during the licensing process.

2) Pollutant management and efficient resource use

Suppliers must prevent environmental pollution and use natural resources efficiently by using methods such as improving the efficiency of production/maintenance processes and facilities, replacing raw materials, and recycling and reusing raw materials.

3) Chemical management

Suppliers must identify and manage chemicals, wastes and other substances that pose a risk to people and the environment to safely handle them and ensure safe transportation, storage, use and disposal.

4) Waste disposal

Suppliers must identify the characteristics of waste and wastewater generated at their business sites, manage/treat and discharge/dispose of wastewater in accordance with laws and regulations, and take measures to reduce the amount generated.

5) Compliance with material regulations

Suppliers must comply with applicable laws and regulations that prohibit or restrict the use of certain substances, such as recycling and disposal labeling.

D. Ethics

1) Anti-corruption

Suppliers must prohibit anti-corruption practices such as bribery, extortion, and embezzlement

for personal gain. To comply with this, monitoring and enforcement procedures must be established and implemented.

2) Intellectual property rights protection

Partners must respect intellectual property rights, and transfers of technology and know-how must be carried out in a manner that respects intellectual property rights. Additionally, Hanssem information must be safely protected.

3) Fair competition

Partners must comply with regulations and standards for fair trade, advertising, and competition.

4) Personal information protection

Partners must protect the personal information of all stakeholders, including partners, customers, consumers, and employees, and must comply with laws and regulations related to personal information protection and information security when collecting, storing, processing, transmitting, and sharing personal information.

E. Responsible sourcing of raw materials

Hanssem strives to fulfill its social responsibilities in relation to the sourcing of raw materials and avoids the use of commodities or raw materials such as tin, tungsten, tantalum, or gold (conflict minerals) that support or finance inhumane treatment. Accordingly, Hanssem's partner companies are encouraged to (1) prohibit the use of illegally harvested wood and obtain sustainability certification (FSC, PEFC) or use recycled wood. Additionally, (2) it is recommended to recognize the environmental impact of the leather industry and to use leather that has proven to be responsibly sourced or certified by the Leather Working Group.

F. Management system

Suppliers must establish a management system related to the contents of this code. The management system (1) complies with laws and customer requirements related to business activities and products of business partners, (2) complies with these standards, and (3) must be designed to identify and manage operational risks related to this Code.