

Hanssem Sustainable Supply Chain Policy

1. Purpose - Goals

Hanssem Corporation (hereinafter referred to as 'Hanssem') is committed to practicing sustainable management throughout its supply chain. The Sustainable Supply Chain Policy was established to establish a system in which Hanssem and its stakeholders, including suppliers, can pursue management that meets comprehensive standards of sustainability in areas such as human rights, safety, environment, protection of personal information and intellectual property rights, and ethics, and grow mutually.

2. Scope of the Policy

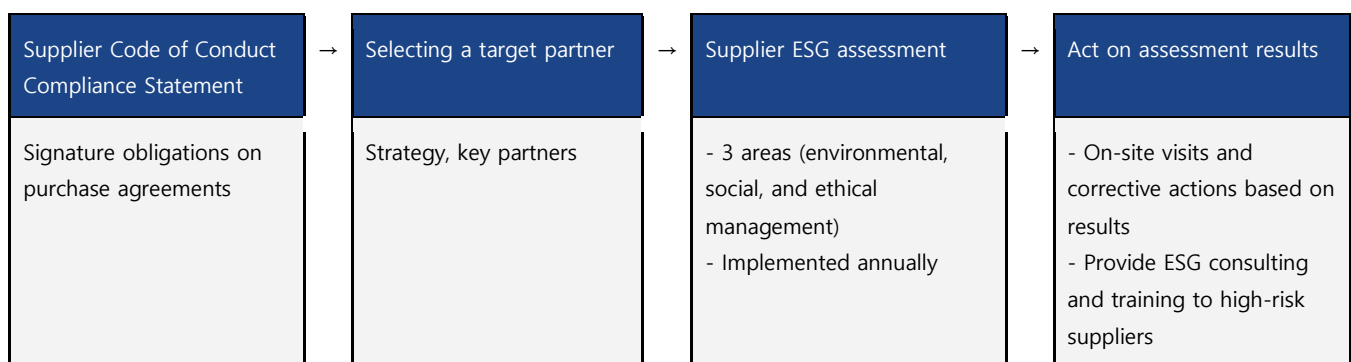
- Employees of Hanssem's headquarters, domestic and overseas business sites, and subsidiaries are subject to this Policy.
- All types of organizations that design, sell, manufacture, or provide raw materials and services used to produce Hanssem's products and services are subject to this policy.
- We encourage all stakeholders who do business with Hanssem to apply this policy and promote sustainable supply chain policies.

3. Management System

Hanssem shares and discusses win-win strategies with suppliers through the Purchasing Partner Meeting organized by the SCM Headquarters, and operates the Subcontract Review Committee, where the head of the company-wide purchasing department, the head of the purchasing team, and the Shared Growth Department discuss measures for fair trade and win-win cooperation with suppliers. In addition, the Shared Growth Organization operates a dedicated department within the audit team of the Management Support Center to conduct compliance checks and win-win activities with suppliers.

To improve the sustainability management capabilities of our suppliers, we conduct ESG evaluations once a year and report the results to the ESG Committee under the BOD to establish an environment where the highest decision-making body can directly manage and supervise the sustainability of our suppliers.

4. Supply chain sustainability due diligence process



Hanssem has set improving the ESG level of suppliers and supporting activities as key performance indicators (KPIs) for the Procurement and Shared Growth organization, and operates a systematic management

process to identify and improve supplier ESG risks. The supplier ESG assessment is conducted for strategic and core suppliers among our purchasing partners and consists of ESG diagnostic indicators in three areas: environment, social, and governance. Suppliers that are categorized as key suppliers but are classified as high-risk based on the assessment results are subject to on-site visits and corrective measures, and we support them to enhance sustainability through ESG consulting and training.

5. Policy

(1) Supplier Code of Conduct

To build a sustainable supply chain with our suppliers, Hanssem has established the Supplier Code of Conduct, which sets out the scope and guidelines for ESG management activities to be followed by our suppliers in the areas of labor, health and safety, environment, ethics, responsible sourcing of raw materials, and management systems.

[Full Supplier Code of Conduct](#)

(2) 4 Practices for Fair Trade

Hanssem has codified the '4 Practices for Fair Trade' distributed by the Korea Fair Trade Commission and requires employees to conduct fair trade with suppliers.

- 4 Practices for Fair Trade

- ① Stipulation of Practices for Preferable Contract Conclusion for Win-Win Cooperation between Large and Small Businesses
- ② Stipulation of Practices for Establishing and Operating an Internal Review Committee for Subcontracting
- ③ Stipulation of Practices for Fair Selection (Registration) of Subcontractors
- ④ Stipulation of Practices for Preferable Document Issuance and Preservation in Subcontracting Transactions

[Full text of the Four Fair Trade Practices](#)

Hanssem has disclosed the full text of the Code of Conduct and Fair Trade Practices for Suppliers on its website so that suppliers who are parties to transactions can be aware of the contents.

Head of SCM Division,

Hanssem Co.