

문서번호	SLS-ESG-01
제정일자	2018.07.20.
개정일자	2023.09.22.
개정번호	1

Supplier Code of Conduct

2023. 09. 22.

SHINHWA LOGISTICS SERVICE CO., LTD

Chapter 0. General Principles

Article 1 [Purpose]	3
Article 2 [Scope of Application of Code of Conduct]	3
Article 3 [Responsibilities of Partner Companies]	3

Chapter 1. Labor and Human Rights Protection

Article 4 [Prohibition of Forced Labor]	3
Article 5 [Prohibition of Discrimination]	4
Article 6 [Protection of Human Rights]	4
Article 7 [Freedom of Association]	4
Article 8 [Ethical Recruitment]	4

Chapter 2 Industrial Safety and Health

Article 9 [Establishment of Safety and Health Management Systems]	4
Article 10 [Management of Machinery and Equipment]	5
Article 11 [Emergency Response]	5
Article 12 [Accident Management]	5
Article 13 [Safety Diagnosis]	5
Article 14 [Health Management]	5

Chapter 3 Environmental Management

Article 15 [Establishment of Environmental Management Systems]	6
Article 16 [Management of Greenhouse Gas Emissions]	6
Article 17 [Management of Water Resources]	6
Article 18 [Air Pollution Control]	6
Article 19 [Waste Management]	6
Article 20 [Chemical Substance Management]	7
Article 21 [Protection of Biodiversity and Prevention of Deforestation]	7

Chapter 4 Ethics

Article 22 [Transparent Management and Anti-Corruption]	7
Article 23 [Prevention of Unfair Trade Practices]	7
Article 24 [Prevention of Counterfeit Use]	8
Article 25 [Information Security]	8
Article 26 [Responsible Raw Material Management]	8

Chapter 5 Sustainable Management System

Article 27 [Appointment of Responsible Person]	8
Article 28 [Risk Assessment]	8
Article 29 [Education and Communication]	9
Article 30 [Grievance Handling System Operation]	9
Article 31 [Compliance]	9
Article 32 [Supply Chain Audit]	9

General Principles

Article 1 [Purpose] Shinhwa Logistics aims to grow as a global logistics company, adhering to international norms, and actively practicing a code of conduct that contributes genuinely to human society. We demand that ethical, anti-corruption, labor and human rights, environmental, safety and health, and global standards in the business activities of our partner companies be in compliance with our management system. Furthermore, we strive to become a more respected company in society by ensuring that our entire supply chain adheres to this code of conduct and seek mutual growth with our partners based on it.

Article 2 [Scope of Application of Code of Conduct]

1. Shinhwa Logistics may recommend all partner companies to voluntarily comply with this code of conduct.
2. We strongly recommend the active compliance with this code of conduct within the boundaries that do not interfere with autonomous management.

Article 3 [Responsibilities of Partner Companies]

1. Partner companies entrusted by Shinhwa Logistics may conduct checks and audits within the limits allowed by the law to ensure compliance with the matters specified in this code of conduct.
2. Based on the results of compliance checks and audits, recommendations for improvements regarding identified risks can be made, and partner companies must submit risk mitigation plans and implementation plans within 6 months.
3. Compliance with this code of conduct can be a critical criterion for the selection of partner companies. If a partner company violates this code and appropriate improvement efforts are not made, it may be challenging to maintain a smooth business relationship with Shinhwa Logistics.

Chapter 1 Labor and Human Rights Protection

Article 4 [Prohibition of Forced Labor]

1. All forms of child labor (under 15 years of age) are prohibited.
2. All workers must engage voluntarily, and forced labor is strictly prohibited.
3. Minor workers may be employed with parental consent, but workers under 18 years of age should not be engaged in tasks that are hazardous from a safety and health perspective.
4. Labor dispatch agencies must not demand job placement fees or deposits from workers.
5. The company conducts regular training on the prohibition of forced labor.

Article 5 [Prohibition of Discrimination]

1. The company must take measures to ensure that workers are not subjected to harassment or illegal discrimination.
2. Discrimination in hiring or promotion of employees based on nationality, race, gender, religion, disability, age, social status, political beliefs, or any other reason is prohibited.
3. Measures should be taken to prevent mental and physical harassment, including verbal abuse, against employees.

Article 6 [Protection of Human Rights]

1. All workers' human rights must be protected and their dignity ensured at a level recognized internationally.
2. Workers should be guaranteed legitimate work and rights protection according to laws and regulations.
3. Regular human rights management checks and a procedure for redress for human rights victims should be in place.

Article 7 [Freedom of Association]

1. The company respects the freedom of association and collective bargaining rights of employees and ensures the establishment and operation of legitimate labor unions in

accordance with labor laws and regulations in the country or region.

2. The company should not obstruct or interfere with employees' participation in lawful labor activities.

Article 8 [Ethical Recruitment]

1. The company should store, dispose, conceal, or seize workers' identity verification documents (identification cards, passports, driver's licenses).
2. The company must not demand any form of fees for employment.
3. All workers should be provided with explanations of working conditions in a language they can understand.

Chapter 2 Industrial Safety and Health

Article 9 [Establishment of Safety and Health Management Systems]

1. The company must comply with safety and health-related laws and regulations designated by the government.
2. Regular inspections and the establishment of a safety and health management system are required to prevent industrial accidents.

Article 10 [Management of Machinery and Equipment]

1. The company should conduct regular evaluations of the safety of machinery, equipment, and facilities in the workplace.
2. Safety equipment to protect workers in the workplace must be provided.

Article 11 [Emergency Response]

1. The company should establish plans to respond to emergencies such as natural disasters, outbreaks of infectious diseases, and fire safety accidents.
2. Training and drills according to emergency plans must be conducted.
3. In the event of an emergency, escape routes, fire detectors, alarms, and fire safety facilities must be installed and regularly inspected to ensure they function properly.

Article 12 [Accident Management]

1. In case of serious industrial accidents or the outbreak of severe diseases among workers, immediate action must be taken to ensure the safety of workers and necessary measures should be taken.
2. In the event of industrial accidents or severe diseases, investigations should be conducted to identify the causes, and efforts should be made to establish improvement measures.

Article 13 [Safety Diagnosis]

1. Regular risk assessments for exposure to hazards and harmful factors should be carried out.
2. The results of risk assessments should be communicated to employees, and safety measures should be taken accordingly.

Article 14 [Health Management]

1. Procedures and systems should be established to prevent and manage occupational diseases and injuries among workers and to report them.
2. The identification, evaluation, and control of hazards arising from the use of chemicals and other hazardous substances in the workplace should be conducted.
3. Regular health check-ups and special health check-ups for workers in accordance with national laws on health check-ups should be conducted.
4. Based on the results of health check-ups, if necessary, measures such as changing workspaces, changing work tasks, or reducing working hours should be implemented.

Chapter 3 Environmental Management

Article 15 [Establishment of Environmental Management Systems]

1. The company must diligently manage the use of environmental pollutants generated by business operations and make efforts to reduce them.

2. An environmental management system should be established, including plans, procedures, performance monitoring, and evaluations to mitigate environmental impacts.

Article 16 [Management of Greenhouse Gas Emissions]

1. The company must calculate and record energy consumption and greenhouse gas emissions on a business site basis.
2. Efforts should be made to reduce energy consumption and greenhouse gas emissions.

Article 17 [Management of Water Resources]

1. A system for measuring water usage and wastewater discharge should be established.
2. Efforts should be made to reduce water usage and promote recycling.
3. Discharges of water pollutants should be managed in accordance with legal standards.

Article 18 [Air Pollution Control]

1. The company should have a system for measuring emissions of air pollutants.
2. The efficiency of air pollution prevention facilities should be monitored regularly.
3. Emissions of air pollutants should be regulated and comply with legal or internal standards.

Article 19 [Waste Management]

1. A system for measuring the amount of waste generated should be established.
2. Efforts should be made to increase waste recycling and minimize waste disposal.

Article 20 [Chemical Substance Management]

1. Efforts should be made to safely manage the transport, storage, use, and disposal of hazardous chemicals to protect people and the environment.
2. Information on hazardous properties of chemicals should be labeled and managed.

Article 21 [Protection of Biodiversity and Prevention of Deforestation]

1. The company should measure the impact and dependence of business activities on

biodiversity in local communities and make efforts to protect, restore, and enhance biodiversity.

2. A system for assessing potential risks of deforestation arising from business activities should be established, and if deforestation risks are identified or recognized, appropriate measures should be taken to mitigate the risks.

Chapter 4 Ethics

Article 22 [Transparent Management and Anti-Corruption]

1. The company promotes a policy of zero tolerance for all forms of bribery, corruption, unfair gains, and embezzlement.
2. Promising, offering, permitting, or accepting unfair or inappropriate benefits for the purpose of gaining improper advantage is strictly prohibited.
3. A whistleblower protection program should be in place.
4. Procedures for whistleblowing should be announced to allow the reporting of issues without fear of retaliation.

Article 23 [Prevention of Unfair Trade Practices]

1. The company complies with laws and standards related to fair trade.
2. The company prohibits employees from engaging in or facilitating unfair trade practices or actions that disrupt fair market order, and it manages and supervises work honestly and transparently.
3. Policies and standards regarding bribery prevention and anti-corruption should be provided, and compliance by employees should be monitored and supervised.

Article 24 [Prevention of Counterfeit Use]

1. Unauthorized counterfeit parts or items must not be used, sold, or distributed.

Article 25 [Information Security]

1. Efforts should be made to protect the personal information of employees, customers,

and partners related to business activities.

2. The unauthorized disclosure of customer trade secrets or security-sensitive information should be avoided.
3. Personnel handling personal information should receive regular training.
4. The company should protect intellectual property rights held by partners and suppliers and periodically confirm and audit whether intellectual property rights are being infringed.

Article 26 [Responsible Raw Material Management]

1. Specific minerals (tantalum, tungsten, tin, gold, cobalt) from sources where there are serious concerns about human rights abuses and environmental destruction should not be used within the company's supply chain.
2. Measures should be taken to ensure that raw materials and components manufactured using forced labor are not supplied within the company's supply chain.

Chapter 5 Sustainable Management System

Article 27 [Appointment of Responsible Person]

1. A sustainability management officer should be appointed.
2. The planning and implementation of sustainability management activities should be supervised and managed.

Article 28 [Risk Assessment]

1. Efforts should be made to manage risks in the areas of ethics, the environment, labor rights, and industrial safety and health that may arise during business operations.
2. In the event of significant risks, measures to mitigate them should be established and implemented.

Article 29 [Education and Communication]

1. Employees should be educated on matters related to this code of conduct.

2. Metrics in the areas of ethics, the environment, labor rights, and industrial accidents should be recorded and managed.
3. When required by laws, industrial organizations, customer contracts, etc., the company should transparently disclose relevant information, unless prohibited by law.

Article 30 [Grievance Handling System Operation]

1. If an employee discovers or becomes aware of a violation of laws or regulations related to labor, human rights, safety, health, environment, or ethics, the company should operate a grievance handling system for processing such matters.
2. Whistleblowers' identities should be protected, and they should not be subject to unfair treatment, threats, or retaliation for reporting violations.

Article 31 [Compliance]

1. When checking compliance with this code of conduct, the information related to the verification conducted by a third party designated by Shinhwa Logistics should be provided.
2. Compliance with this code of conduct should be based on factual evidence.
3. Efforts should be made to establish improvement plans and take corrective actions if defects or violations are identified during the verification of compliance with this code of conduct.

Article 32 [Supply Chain Audit]

1. The acceptance of risks related to sustainability in the supply chain should be considered during evaluations.
2. Measures should be taken to mitigate identified risks to reduce them.

This is the English translation of the “Shinhwa Logistics Human Rights Management Policy “. Please note that this translation is provided for reference, and for legal or official purposes, it’s advisable to consult with a professional translator or legal expert.