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Partner Code of Conduct

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Introduction

DAESANG aims to lead the development of Korean food culture by developing food that considers the health and nutrition of customers as the top priority, pursue the coexistence of people and nature, and create a healthy world where everyone is respected. Furthermore, we strive to create new values focusing on five themes of human rights, safety, environment, ethics, and management system and contribute to creating a happier society through sustainable management.

Both executives and employees are making every effort to establish a culture of 'company that creates a healthy world with the power of respect,' a vision pursued by DAESANG. In particular, we are doing our best to leap forward as a comprehensive food company rooted in the world beyond Korea and to impress customers.

In order to realize customer satisfaction, shared growth with partners is absolutely necessary, not the efforts of DAESANG alone, and customer satisfaction can be maximized through mutual respect and developing relationships with partners. Therefore, the work in the process of cooperating with partners must be ethical and comply with relevant laws.

'DAESANG Code of Conduct' provides what DAESANG requires of our suppliers based on five areas of human rights, safety, environment, ethics, and management systems, such as enabling workers to be respected, securing a safe working environment, fulfilling their responsibilities for the environment, establishing a management system that enables us to operate the company ethically. DAESANG is a company that puts more emphasis on compliance through ethical management than anything else and emphasizes that all partners in business relationships with DAESANG must comply with the same level of compliance and specifically comply with this code of conduct.

This Code of Conduct was written with reference to the RBA Code of Conduct and other global guidelines, and in the event of a conflict between the Code of Conduct and local regulations, stricter standards shall take precedence.

1. Human Rights Management

Our partners must protect human rights and ensure their dignity to all forms of workers, including temporary workers, migrant workers, trainees, and contract workers, to the level accepted by the international community. In addition, workers must be guaranteed legal work and rights protection in accordance with local laws and regulations.

1) Voluntary work

All work must be done voluntarily and must not be forced to work against the will of workers. A partner must not hire workers who are forced to work against their will, workers under human restraint contracts, or traffickers. Any activity, such as moving, hiring, or transferring socially disadvantaged persons through intimidation, coercion, kidnapping, or fraud for the purpose of exploiting labor is also prohibited.

2) Child worker

Under the Labor Standards Act, partners should not hire teenagers under the age of 15 and teenagers under the age of 18 who are in middle school under the Elementary and Secondary Education Act. However, teenagers aged 13 to 15 who have received a certificate of employment issued by the Minister of Employment and Labor can work. In the case of overseas partners, children under the minimum age should not be hired according to local laws.

Immediate improvements must be made if workers are found not to be the minimum age permitted by law, and workers under the age of 18 must not perform work that is morally harmful or health-hazardous or dangerous.

3) Working hours

The partner must not exceed the maximum legally prescribed working hours.

Furthermore, except for emergencies or special circumstances, weekly working hours must not exceed 60 hours, including extended working hours. Additionally, a break of at least 30 minutes should be given during working hours if working hours are 4 hours, and at least an hour if working hours are 8 hours.

4) Wages and welfare

The partner company shall comply with the law with respect to all wages paid to the worker. Workers' overtime pay shall be paid in addition to at least 50% of their normal wages, and each time a salary statement written in a language that the worker can understand should be provided so that workers can verify that compensation for their work has been made correctly.

5) Humane treatment

Partners should have no inhumane treatment of workers, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, and verbal abuse, and no threat of such treatment.

Partners should define policies and procedures to guarantee workers' human rights and fully explain them to workers.

6) Prohibition of discrimination/prohibition of harassment

Partners shall endeavor to ensure that workers are not discriminated against in employment, promotion, and training on the grounds of race, religion, disability, gender, educational background, age, physical conditions, country of origin, region of origin, political views, etc. Also, efforts should be made to prevent bullying in the workplace. In accordance with the Framework Act on Gender Equality, the Act on Prohibition of Age Discrimination in Employment and Elderly Employment Promotion, the Act on the Prohibition of Discrimination against Persons with Disabilities and Remedy Against Infringement of Their Rights, and the Equal Employment Opportunity and Work-Family Balance Assistance Act, etc., they shall act in good faith and endeavor to promote equality and diversity.

7) Freedom of association

Partners should allow workers to freely communicate with management about working conditions and management policies to share their thoughts and concerns. In addition, domestic and overseas partners should respect workers' right to organize and join labor unions, etc., in accordance with local laws and regulations, and also respect workers' right not to participate in these activities.

2. Safety Management

Partners should recognize that activities to ensure workers' safety and health are essential for maintaining the quality of products and services and increasing production efficiency, establish safe and healthy workplaces in accordance with local laws and regulations, and minimize potential hazards. They are encouraged to establish, document and implement an occupational health and safety ISO 45001 (Occupational health and safety management system Certification Standard).

1) Industrial safety

For workers potentially exposed to health and safety hazards, partners should proactively

remove potential hazards through appropriate design, engineering and administrative statistics, preventive maintenance and safe working procedures, and continuous health and safety training and mitigate potential hazards by regular assessments. In particular, women workers in pregnancy or lactation should take reasonable measures, such as exclusion from hazardous work.

2) Emergency response plan

Partners should identify and evaluate potential emergencies and situations, and minimize damage by implementing emergency measures and response procedures. In the event of an emergency, a reporting system, employee notification and evacuation procedures should be prepared, and damage caused by emergencies should be minimized through regular training, securing fire detection and fire extinguishing equipment, exit facilities that can escape without obstacles, and emergency plans and procedures including recovery plans.

3) Prevention of industrial accidents and diseases

Partners should establish procedures and systems for prevention, management, tracking, reporting of industrial accidents and diseases. This should include regulations to encourage employees to report, classify and record injured diseases, provide necessary medical treatment, and activate return to work by investigating each case to eliminate the cause and implement corrective action.

4) Industrial hygiene

Partners should identify, evaluate, and control employees' exposure to chemical, biological, and physical factors. If the removal or reduction of hazards is not possible, hazards should be controlled through appropriate design, engineering, and administrative control. In cases where hazards cannot be adequately controlled, workers must be provided with appropriate, well-maintained personal protective equipment and protected through relevant training materials.

5) Prevention of Musculoskeletal Diseases

Partners should identify, evaluate, and control workers' exposure to risks of manual labor, such as manual work, heavy lifting or repeated lifting, long standing work, and heavy repetitive or exhausting assembling work.

6) Maintaining the safety of mechanical equipment

Partners shall assess the safety hazards of production and other machinery. If there is a

risk of injury, physical protective equipment, interlocking devices, safety devices, and barriers shall be provided and properly maintained.

7) Sanitation and provision of facilities

Partners must provide their employees with clean toilets, drinking water, hygienic food cooking and storage facilities, and restaurant facilities. In addition, the dormitories provided to employees must be clean and safe, and provide adequate emergency exits, proper lighting, heating and ventilation facilities, personal belongings storage boxes, and reasonable access to provide the proper environment.

8) Occupational health and safety training

Partners should regularly provide workers with appropriate safety and health training in a language that workers can understand about all identified workplace hazards. In addition, health and safety-related information should be posted to be visible within the workplace, and workers should be encouraged to raise safety concerns.

9) Quality safety management

Partner shall establish, inspect, and continuously improve and maintain a quality safety system to establish and achieve quality control policy and goals. Quality and food safety management activities should be carried out in all stages from raw material handling to manufacturing, logistics, and sales in order to think from the customer's point of view and provide the best quality suitable for their needs. In addition, food safety prevention activities should be carried out continuously, such as pre-hazardous material management of products and quality monitoring of products in circulation.

3. Environmental Management

Partners should recognize that they are responsible for the environment and strive to identify and minimize any environmental impacts that may occur during the manufacturing process. They must comply with environmental laws and regulations, including hazardous chemical substances and waste management and disposal, recycling, wastewater management and reuse, and greenhouse gas and atmospheric emissions control. They are also encouraged to establish, document, and implement an environmental management system based on international standards such as ISO 14001 (environmental management system certification standard).

1) Licensing and reporting

All environmental permits (e.g., emissions monitoring) required by our partners must be obtained, maintained, and reporting obligations must be complied with. Recent revisions

must also be constantly identified and complied with.

- 2) Prevention of environmental pollution and reduction of resource use
Partners should minimize or eliminate pollutant and waste generation by improving production processes, strengthening maintenance, changing equipment processes, replacing raw materials, reusing and recycling. They are also encouraged to use natural resources such as water and fossil fuels more efficiently.
- 3) Hazardous chemicals management
Partners shall label and manage chemicals, wastes, and other substances that are harmful to humans or the environment to ensure safe handling, movement, storage, use, recycling or reuse and disposal. They shall also comply with all laws and requirements related to prohibiting or restricting the use of certain substances in production and manufacturing, including recycling and waste labeling.
- 4) Wastewater and waste management
Partners should identify, manage, reduce, and recycle (non-hazardous) solid waste. The wastewater and solid waste generated by the company's activities, production processes, and sanitation facilities should be identified, monitored, managed, treated and discharged in accordance with the regulations. In addition, measures to reduce wastewater generation should be prepared and the treatment efficiency of the wastewater treatment process should be monitored at all times.
- 5) Atmospheric emissions pollution control
Partners must identify the characteristics of volatile organic compounds, aerosols, corrosives, fine dust, ozone-destroying substances and combustion by-products generated in the process, monitor them regularly, and discharge them effectively after treatment in accordance with regulations. Ozone-destroying substances must be effectively managed in accordance with relevant international agreements, etc. Also, the emission control system of the air must be monitored regularly for good operation.
- 6) Water management
Partners should implement water management programs that identify and monitor the records of water sources, water use and discharge, seek water conservation methods, and control pollution routes. In addition, wastewater should be controlled and treated, such as identifying and monitoring its characteristics in accordance with relevant regulations before all wastewater is discharged or disposed of.

- 7) Energy consumption and greenhouse gas emissions management
Partners should calculate and record energy consumption and greenhouse gas emissions on a company-wide and workplace basis, and endeavor to reduce energy consumption and greenhouse gas emissions. Additionally, they need to establish enterprise-wide greenhouse gas reduction goals and track, document, and make public reports on them.
- 8) Environmentally friendly product expansion
In consideration of environmental risks from purchasing raw materials, efforts should be made to first utilize eco-friendly products that can reduce environmental pollution and to continuously expand eco-friendly products and services.
- 9) Soil/noise vibration/odor/raw materials management
In order to reduce the negative impact of ecosystems near the workplace, related systems such as noise vibration, soil pollution, odor, and biodiversity must be measured and monitored separately, and raw material usage must be reduced.
- 10) No forest destruction
Partners should actively cooperate in forest creation and greening activities to prevent forest destruction. In addition, they should come up with procedures to evaluate the potential risk of forest destruction due to business activities, and when forest destruction is confirmed or recognized as a risk, they should strive to solve it by establishing an appropriate response system.
- 11) Biodiversity protection
Partners should consider biodiversity in all core processes such as daily business operation and design, production, use, recycling, and disposal, and seek and develop ways to minimize its impact. In addition, they should evaluate the impact and dependence of business activities on biodiversity to preserve and restore it, and establish strategies and action plans to prevent, reduce, and offset negative effects, and strive to implement them. The impact and dependence on biodiversity should be evaluated and improved when expanding into new business areas as well as existing businesses.

4. Ethical Management

Partners must fulfill their social responsibilities in the right way based on market ethics and law-abiding sincerity for sustainable growth and comply with all local laws and regulations. In

addition, they must establish and strive to comply with the code of ethics and code of conduct so that all executives and employees can practice ethical management.

1) Business integrity and prohibition of undue profits

Partners must maintain a zero-tolerance policy that prohibits all forms of bribery, corruption, undue profits, and embezzlement. In international business transactions, they must not engage in any acts prohibited by domestic and foreign anti-corruption laws, including the Act on Combating Bribery of Foreign Public Officials in International Business Transactions, the Improper Solicitation and Graft Act, the OECD Anti-Bribery Convention, and the US FCPA. In addition, no benefit should be promised, offered, proposed, or delivered directly or indirectly to a person who is considered a public official in the application of laws related to public officials or bribery, an employee of a public institution or public service-related organization, a person who has been delegated or entrusted with the authority of an administrative agency or public institution in accordance with laws, or a person who performs public duties in accordance with laws and contracts, a political party executive or political candidate, or a third party related to other transactions.

In addition, no means for obtaining unfair or inappropriate benefits should be provided or accepted. In this regard, monitoring and crackdown procedures should be implemented to practice voluntary compliance with anti-corruption laws.

2) Information disclosure

Information on the labor, health and safety, environmental management status, business activities, structure, financial status, and performance of the partner company should be accurately recorded and disclosed. Falsification or false statements of records on the status and practices of related fields within the supply chain are not permitted.

3) Intellectual property protection

Intellectual property rights should be respected, and the transfer of technology and know-how should be carried out in a manner that respects intellectual property rights. In addition, the partner company should safely protect the information of DAESANG and the customer.

4) Fair trade, advertising and competition

Partners must comply with fair trade, advertising and competition standards. In particular, compliance with the Fair Trade Act is the basic principle of DAESANG's business

operations. All partners must strictly comply with fair trade-related regulations in the same manner as DAESANG's enhanced fair trade compliance program. In addition, they must respect the fair and free market economic order based on the principle of free competition and compete fairly with competitors.

5) Prevention of conflicts of interest

Partners must not pursue any personal, financial or other interests that conflict with the interests of the company in the process of concluding a contract or performing obligations. If there is an interest that may influence an individual's judgment or actions, they must report it to the company and undergo an appropriate review process. In addition, partners must not use or provide the company's assets or information for personal gain.

6) Protection of whistleblowers

Partners shall maintain an anonymity and identity protection program, and notify and maintain relevance procedures so that employees can raise issues without fear of retaliation. All matters related to the violation of the Code of Conduct or retaliation against whistleblowing (discrimination, unfair practices, etc.) shall be reported. DAESANG shall keep the fact of internal whistleblowing confidential and report all matters related to retaliation against whistleblowing (discrimination, unfair practices, etc.). DAESANG shall take strict measures if retaliation against internal whistleblowing is discovered. In addition, the reported issues shall be investigated fairly, and solutions shall be found.

7) Personal information protection

Partners shall endeavor to protect the personal information of all persons related to their work. In addition, they shall comply with laws related to personal information protection and information security when collecting, storing, processing, transmitting, and sharing personal information.

8) Data security

Partners shall comply with the confidentiality obligation of information or data learned during the course of business/job activities. In addition, if a data breach is discovered, they shall report/notify DAESANG and actively cooperate in accessing the data processing system during the verification process for the breach.

9) Prohibition of use of conflict minerals

Partners shall comply with the policy of prohibiting the use of raw materials obtained

through illegal and unethical means (e.g. minerals illegally mined, produced, or sold for the purpose of financing rebels and armed groups).

10) Contribution to local community

It is necessary to make efforts for social contribution activities by establishing a strategy that takes into account the characteristics of the company and operating various employee participation programs.

5. Management System

Partner shall adopt or build a management system that is relevant to the content of this code. The relevant management system shall be continuously improved by 1) complying with partner's business operation, product-related laws and regulations, and customer requirements, 2) complying with this code, and 3) designing to identify and mitigate operational risks related to this code.

1) Commitment to compliance

Enterprise social and environmental responsibility policy statements, expressing management-approved commitment to compliance and continuous improvement shall be posted within the workplace.

2) Duties and responsibilities of management

Partners' senior management and representatives responsible for implementing the management system and related programs must be identified, and they must regularly review the status of the management system's operation.

3) Response to legal and customer requirements

Partners shall have a procedure for identifying and monitoring applicable laws, regulations and customer requirements, including the requirements of this code, and build a process for reflection within the management process.

4) Risk management

Partners shall have a procedure to identify legal, environmental, health, safety, labor practices, and ethical risks related to the business operations of partners. The relative importance of each risk should be determined, identified risks should be controlled by implementing technical or administrative controls according to the

appropriate procedures and regular compliance with the norms should be ensured.

- 5) Establishment of goals for improvement
Goals and action plans should be documented to improve the social, environmental and health and safety performance of partners, which should include a periodic assessment of performance relative to the goals.
- 6) Training
Training programs for managers and workers to ensure that partner's policies, procedures and goals for improvement are put into practice and that they comply with relevant laws and regulations are to be operated.
- 7) Communication
Partners shall establish a process to communicate clear and accurate information about partners' policies, practices, expectations and performance with employees, partners and customers.
- 8) Employee feedback, engagement and grievance handling
Partners shall establish a process to promote continuous improvement by gathering opinions from executives and employees on the conditions covered by this code. Employees shall be provided with a safe environment to provide grievances and feedback without fear of retaliation.
- 9) Audit and evaluation
Periodical self-assessments should be conducted to ensure compliance with legal and regulatory requirements, the contents of this code, and local relevant laws.
- 10) Corrective action process
Processes must be in place to correct deficiencies identified through internal and external assessments, inspections, investigations, and reviews within a timely manner.
- 11) Documentation and records
Partners shall maintain proper confidentiality for compliance with relevant laws and regulations and for the protection of company and personal information and shall manage such documents and records.
- 12) Supplier responsibility

Partners shall have a process to communicate this code to subordinate partners, require compliance, and supervise compliance.

[Compliance with the Code of Conduct]

The partners of DAESANG shall endeavor to comply with the provisions of the Code of Conduct, and inspections and audits may be conducted within a reasonable scope to determine compliance with this Code of Conduct. DAESANG may recommend improvement of identified risks, and the partners shall endeavor to improve areas in need of improvement through activities such as goal setting, planning, and supplementation.

[Appendix]

1. References

The references provided have been used to develop this standard and may be useful in obtaining additional information.

- ① RBA, Code of conduct
<http://www.responsiblebusiness.org/standards/code-of-conduct>
- ② ILO, International Labour Standards
www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm
- ③ ILO, Code of Practice on safety and health
www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf
- ④ OECD, OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
<https://mneguidelines.oecd.org/mneguidelines/>
- ⑤ UN Global Compact
www.unglobalcompact.org
- ⑥ UN, Universal Declaration of Human Rights
www.un.org
- ⑦ ISO, ISO 14001(Environmental management systems — Requirements with guidance for use)
<http://www.iso.org>
- ⑧ ISO, ISO 45001(Occupational health and safety management systems — Requirements with guidance for use)
<http://www.iso.org>
- ⑨ SAI, SA8000

<http://www.sa-intl.org>

2. Document Summary

Document No.	Policy-07-00-Partner Code of Conduct_202409_01		
Date of enactment	October 2022		
Revision history	Version	Revision date	Major revisions
	2	Sept. 2024	Addition of provisions on no forest destruction, protection of biodiversity, and prevention of conflicts of interest
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