



Supplier code of conduct

Leading A Sustainable Future With Green Cable Solutions

Supplier code of conduct

I . Overview

1. Purpose of Establishment

This policy is applicable to all suppliers and is aimed at ensuring strict compliance with laws and regulations that govern corporate operations, including ethics, environmental protection, labor and human rights, health and safety, and governance systems. LS Cable & System expects that by complying with this policy, its suppliers will not only achieve further growth but also contribute to sustainable development.

2. Scope of Application

This policy applies to all suppliers who have entered into agreements with LS Cable & System (including domestic and overseas subsidiaries) to provide products and services. Furthermore, LS Cable & System expects suppliers to extend this policy to their sub-suppliers (including subcontractors) and ensure its implementation throughout their supply chain.

3. Role and Responsibilities of Suppliers

All suppliers should take into account the requirements set forth in this policy in the course of their business activities. LS Cable & System will monitor suppliers' compliance and reserves the right to evaluate suppliers' operations to ensure adherence. If suppliers fail to comply with this policy or related laws, LS Cable & System may conduct corrective measures such as suspension or termination of business relationships. Additionally, suppliers are expected to cooperate in minimizing risks identified in areas such as human rights violations, environmental harm, and unethical practices. Suppliers should take preventive and corrective measures where necessary and cooperate with LS Cable & System to ensure sustainability in the supply chain.

4. LS Cable & System's Efforts

LS Cable & System is committed to supporting its suppliers in complying with this policy and implementing best practices through close cooperation. LS Cable & System will establish reporting mechanisms, and suppliers are encouraged to report any violations or concerns regarding non-compliance with the policy. LS Cable & System will provide a transparent process to ensure that suppliers can report issues without fear of retaliation. Additionally, LS Cable & System will maintain an anonymous reporting channel to protect whistleblowers, ensuring confidentiality and safeguarding their rights.

II. Basic Principles

1. Compliance and Ethical Management

Suppliers should engage in transparent and ethical management, striving to conduct their businesses with integrity. To this end, they are required to comply with the laws of the countries in which they operate and maintain the highest ethical standards.

(1) Compliance with Laws

All suppliers conducting transactions with LS Cable & System should comply with all applicable laws related to business transactions and operations, as well as observe the integrity of such transactions.

(2) Integrity and Fair Transactions

Suppliers should maintain transparency and fairness in all business transactions. They should not provide bribes or accept improper offers in exchange for unfair advantages. Suppliers should refrain from engaging in activities that impede fair competition, such as monopolies or price-fixing, and they should comply with all applicable laws governing fair competition and trade.

(3) Mutual Cooperation

Suppliers actively participate in our programs for mutual cooperation and strive to maintain a fair and sustainable business relationship.

(4) Protection of Intellectual Property and Prohibition of Unauthorized Use

Suppliers shall respect the intellectual property rights of all suppliers within the supply chain, including LS Cable & System, and make efforts to protect trade secrets, internal information, and technical know-how. Furthermore, the suppliers shall not use or manufacture, nor sell, any materials or parts that are unauthorized or counterfeit.

(5) Protection of Personal Information

Suppliers should protect the personal information of all individuals, including clients, suppliers, employees, and stakeholders, through systematic management. Suppliers should comply with all applicable laws and regulations regarding the protection and confidentiality of personal information.

(6) Responsible Procurement of Raw Materials

Suppliers should ensure that the raw materials they purchase, produce, or distribute do not involve severe human rights abuses or cause significant environmental harm. In particular, they are strictly prohibited from using conflict minerals in transactions with our company without prior authorization.

2. Environmental Protection

Suppliers should comply with environmental laws and regulations related to environmental protection and assess the environmental impact of their manufacturing processes. Suppliers are expected to minimize any negative impact on the local environment, regional ecosystems, and natural resources.

(1) Compliance with Environmental Laws

Suppliers should acquire, maintain, and manage all required environmental permits and registrations necessary for business operations. They are responsible for adhering to the latest legal and regulatory requirements and should report their compliance status.

(2) Energy Use and Emissions Reduction

Suppliers should strive to implement systems that reduce energy consumption and emissions. This includes efforts to improve energy efficiency, conserve natural resources, and increase the use of renewable and sustainable energy sources. Suppliers should work to minimize greenhouse gas emissions and other pollutants released into the environment.

(3) Emissions of Pollutants

Suppliers should monitor and manage emissions of pollutants into the air, water, and soil, ensuring compliance with regulatory standards. Suppliers should continuously track and reduce emissions wherever possible.

(4) Waste Management

Suppliers should work to minimize waste generated from their manufacturing processes and products and properly manage and dispose of waste in compliance with local environmental laws. Efforts should be made to reduce, reuse, and recycle materials to the greatest extent possible.

(5) Compliance with Chemical Regulations

Suppliers should comply with chemical safety regulations in the countries where they operate. When using chemicals, suppliers should ensure the safe handling, storage, and disposal of hazardous substances to prevent any harm to the environment or human health.

(6) Resource Conservation

Suppliers should strive to use resources efficiently and minimize the use of materials that have a negative impact on the environment. Suppliers are encouraged to utilize sustainable materials and reduce their environmental footprint.

3. Respect for Human Rights

Suppliers should uphold and respect human rights in all their business locations, adhering to internationally declared principles such as the UN Guiding Principles on Business and Human Rights. Suppliers should work to eliminate any form of forced or illegal labor and create an environment where all members respect and support each other.

(1) Compliance with Labor Laws

Suppliers should respect the dignity and human rights of all their members and stakeholders. They should not impose unfair burdens on any group, and they should comply with international human rights standards such as the Universal Declaration of Human Rights (UDHR) and the conventions of the International Labour Organization (ILO)*)

(2) Embracing Diversity and Inclusion

Suppliers should strive to create an inclusive environment where the diversity of all employees is valued and respected. They should ensure that all employees feel recognized and accepted regardless of differences in background and identity.

(3) Prohibition of Discrimination and Harassment

Suppliers should not discriminate against individuals based on gender, race, age, skin color, religion, marital status, nationality, social background, disability, pregnancy, political opinion, sexual orientation, or any other personal characteristic. Discrimination in recruitment, promotion, compensation, and access to training is strictly prohibited. Harassment, including verbal and physical abuse, is also forbidden.

(4) Freedom of Association and Collective Bargaining

Suppliers should guarantee the right of all employees to freely associate and engage in collective bargaining according to local labor laws. Employees should be able to express their opinions without fear of retaliation.

(5) Protection of Local Communities

Suppliers should ensure that their business operations do not infringe on the rights of local communities. Suppliers should protect the health, safety, and freedom of local residents, making efforts to avoid negative impacts on local communities.

*) A specialized agency of the United Nations established to improve the working conditions of workers

(6) Prohibition of Child Labor

Suppliers should comply with international laws regarding child labor, and they should not employ individuals under the legal working age in their respective countries. Suppliers should not employ individuals under the age of 15 for any kind of work.

(7) Prohibition of Forced Labor

Suppliers should not engage in or tolerate any form of forced labor, including human trafficking, extreme physical punishment, confinement, or psychological coercion. Employees should be free to leave their jobs of their own will, and suppliers should not retain any identification documents or demand illegal payments.

4. Safety Management

Suppliers should comply with safety and health-related laws and regulations, and should take appropriate measures to provide a healthy and safe working environment for workers by working to eliminate potential safety hazards.

(1) Compliance with Labor Laws

Suppliers should comply with the applicable national laws and company regulations related to safety and health and maintain safe working conditions. They should also have organizational procedures and systems in place to ensure the health and well-being of their employees.

(2) Risk Assessment

Suppliers should assess and eliminate safety risks to ensure that workers can operate in safe and healthy working environments. These measures should include hazard identification, training in emergency response and personal protective equipment, and compliance with relevant laws and regulations.

(3) Emergency Response Process

Suppliers should establish and maintain procedures and systems to minimize damage in case of emergencies and accidents. They should ensure that industrial accidents and occupational illnesses are managed effectively.

(4) Workplace Safety and Health Management

Suppliers should maintain all facilities safely, and provide systems to prevent physical labor risks while evaluating safety risks in production facilities and other workplace environments.

(5) Hazardous Chemicals Management

Suppliers should handle hazardous chemicals in business operations in a way that ensures safety in storage, transportation, and use. They should provide information that enables safe handling and identification of hazardous substances.

(6) Facility Safety Management and Safety Equipment Provision

Suppliers should conduct regular safety inspections and assessments of all facilities to prevent accidents. They should have protective measures in place to prevent accidents, and proper safety equipment should be provided and maintained.

5. Management System

Suppliers should recognize the importance of sustainable management and establish a management system to support it.

(1) Expression of Commitment to Policy Compliance

Suppliers should demonstrate their commitment to sustainable management by publicly expressing their intention to comply with this policy or any higher standard of sustainable management that applies to their operations.

(2) Understanding of Laws and Customer Requirements

Suppliers should ensure compliance with applicable laws, regulations, and customer requirements. They should establish procedures to understand and monitor these requirements and ensure that they are followed.

(3) Risk Assessment and Management

Suppliers should identify and evaluate risks related to ethics, environment, safety, and labor practices. Once risks are identified, suppliers should establish processes to prevent or mitigate them, ensuring that appropriate control measures are in place.

(4) Self-Assessment and Corrective Actions

Suppliers should conduct regular self-assessments to verify compliance with this policy, relevant laws, and regulations, and take corrective actions where necessary to maintain compliance.

(5) Operation of Grievance Mechanism

Suppliers should have a grievance mechanism that allows employees to report, in confidence, any concerns related to ethics, environment, labor, and safety. Employees should be fully informed about the system and their rights.

Name	Supplier code of conduct	Version	1.0
Date of Enactment	2006. 6. 1	Date of Revision	-
Enacting Department	Purchasing Planning Team	Managing Department	ESG Management Team

Appendix

Policy	Reference
Supplier code of conduct	• Responsible Business Alliance
Common	• OECD Guidelines for Multinational Enterprises on Responsible Business Conduct