

Supplier Code of conduct

Version 1.0



*SK Chemicals Building, 310
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Gyeonggi-do*

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	Version #: 1.0	Issue Date: 2024/06/25

Preamble

SK chemicals conducts business with a commitment to enhancing human health and protecting the environment, and we expect our suppliers to share this commitment. Therefore, all suppliers trading with SK chemicals shall comply with the following requirements to contribute to customer satisfaction. SK chemicals may conduct assessments to verify compliance with this code and may impose sanctions, including trade restrictions, if high-risk issues are identified and not addressed.

Labor/Human Rights

① Prohibition of Workplace Harassment and Discrimination:

Partners must strive to create a work environment free from illegal discrimination and harassment. Employment practices, including hiring, promotion, compensation, and education, must not involve any form of harassment or discrimination based on race, age, gender, physical condition, religion, or any other political, economic, or social status unrelated to job performance.

② Prohibition of Forced Labor:

Partners must ensure that no worker, including temporary workers, migrant workers, contract workers, regular employees, and any other type of worker, is subjected to mental or physical coercion or forced to work against their will. Employment conditions must be voluntary.

③ Prohibition of Child Labor/Compliance with Working Hours/Wages and Benefits:

Partners must prohibit the employment of children below the minimum working age and must not exceed the hours and days specified by law. All legal standards regarding wage payment, benefits, working hours, and compensation must be adhered to.

④ Migrant Workers:

Partners must pay special attention to domestic and overseas migrant workers and the risks of labor exploitation they face. The rights of migrant workers must be respected without discrimination. Migrant workers must receive the same employment protection and rights as native workers if required by law. Partners must comply strictly with immigration and labor laws when employing migrant workers. If migrant workers wish to terminate their

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employment contract voluntarily within a reasonable period or the legally defined period, partners must allow for contract termination without any disadvantage to the workers.

⑤ **Humane Treatment/Freedom of Association**

: Partners must not subject workers to sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or any other inhumane treatment. The legal right to freedom of association and collective bargaining must be recognized.

⑥ **Grievance Handling System:**

SK Chemicals operates a grievance handling system to facilitate free communication for all stakeholders. Workers of partners can access this system and report any unfair, inhumane, or unethical acts occurring within the partner organization, regardless of the subject. SK Chemicals thoroughly protects the identity of grievance reporters and responds with a zero-tolerance policy towards any retaliatory actions against reporters.

Environmental

① **Environmental Permits and Hazardous Substance Management:**

Partners must comply with environmental regulations and reporting requirements. They should identify and manage hazardous substances, chemicals, waste, wastewater, and air pollutants generated in the manufacturing process, aiming to minimize their release. 9 Additionally, partners should monitor noise, forest/soil pollution, odors, and biodiversity to reduce negative impacts on the local ecosystem. Systems to reduce raw material usage and other management systems should also be implemented.

② **Energy Consumption and Greenhouse Gas Emissions:**

Partners must monitor energy consumption and greenhouse gas emissions and make efforts to minimize them. They should cooperate with SK Chemicals in providing information on energy and greenhouse gases when requested.

Ethics

① **Business Integrity/Whistleblower Protection:**

Partners must prohibit all forms of corruption, extortion, embezzlement, bribery, kickbacks, and gift-giving and strive for ethical and transparent management. They must protect the

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identity of whistleblowers and prohibit any retaliatory actions against them, transparently disclosing such practices.

② **Fair Competition:**

Partners must adhere strictly to laws regarding fair trade and refrain from any unfair practices, such as abusing dominant market positions.

③ **Protection of Personal Information/Intellectual Property Rights:**

Partners must continuously strive to protect customer information, personal information, and intellectual property rights.

④ **Data Security**

Partners must maintain confidentiality for any data they become aware of or receive during business activities. They must report any security breaches to SK Chemicals and actively cooperate during the fact-checking process.

⑤ **Prohibition of Conflict Minerals:**

Partners must not use raw materials obtained unethically, such as minerals mined by armed groups.

Safety and Health

① **Industrial Safety and Health:**

Partners must prevent all workers from being exposed to hazards (dangerous machinery, harmful agents, etc.), ensure the safety of equipment and facilities, and provide appropriate personal protective equipment to workers. Continuous safety and health education must be provided to ensure a safe working environment. Partners should also identify potential emergency situations and apply emergency response plans and procedures to minimize damage from such situations.

② **Industrial Accidents and Diseases:**

Partners must strive to create a safe and healthy working environment to minimize work-related injuries and diseases, maintain worker retention, and boost morale.

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Management System

③ Risk Assessment and Management:

Partners must identify potential risks related to the environment, industrial safety and health, human rights and labor, and ethics. They should manage and report high-probability and high-impact risks to management by developing plans to mitigate them.

④ Management System Compliance:

Partners must establish their own management systems and comply with the following standards:

- a. Expression of a commitment to voluntary compliance
- b. Clear management responsibility
- c. Goal management and performance evaluation/rewards
- d. Employee feedback and participation
- e. Participation in and responsibility for supply chain management