


 Daechang Seat Co., LTD.	<b>ESG</b>	Document No.	DSCA-ESG-03
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**1. Purpose**

DSC aims to enhance the company's competitiveness and fulfill corporate social responsibility through customer-centered transparent management and innovative management for continuous growth. To this end, we publicly establish the 'DSC Partner Code of Conduct' based on the ten principles of the United Nations Global Compact regarding human rights, labor, environment, and anti-corruption. This code of conduct may be supplemented and revised by reviewing and reflecting national laws, industry trends, and sector trends.

**2. Scope of Application**

This regulation applies to all necessary evaluations, re-evaluations, guidance, and support for the sustainability management of suppliers, subcontractors, outsourcing cooperation, and environmental consignment companies (hereinafter referred to as 'suppliers').

**3. Code of Conduct for Suppliers**

**3.1) Human Rights and Labor**

3.1.1) Working Conditions and Wages

Suppliers must comply with the working hours regulated by the International Labour Organization (ILO) and all relevant laws, including minimum wage, overtime pay, and statutory benefits. Compensation for overtime and other benefits must comply with relevant laws and regulations, and the minimum statutory benefits must be provided to workers.

3.1.2) Freedom of Association

Suppliers must recognize the right of employees to associate, organize, and bargain collectively in a lawful and peaceful manner without punishment or illegal interference.

3.1.3) Child Labor and Forced Labor

Suppliers must prohibit child labor below the minimum legal employment age according to local laws and perform procedures to verify the age of employees and job applicants through legal documents such as identification cards and birth certificates. Any form of forced labor or involuntary labor performed under threat of penalty or disadvantage must be prohibited.

3.1.4) Non-Discrimination and Respect for Diversity

Suppliers must comply with anti-discrimination laws and consider diversity among stakeholders as a key value. Efforts should be made to create an inclusive environment where different thoughts, perspectives, and beliefs are respected. Discrimination based on race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, marital status,

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political views, disability, etc., in employment-related matters such as hiring, compensation, benefits, promotion, discipline, dismissal, or retirement, is prohibited.

**3.1.5) Safety and Health**

Suppliers must comply with safety-related laws and regulations and strive to provide a safe and healthy workplace through preventive systems and education to prevent industrial accidents.

**3.2) Environment**

**3.2.1) Energy Use and Greenhouse Gas Emissions Management**

Suppliers must establish a basis for measuring energy use and greenhouse gas emissions and strive to reduce them, promote decarbonization, and improve energy efficiency.

**3.2.2) Water Resource Management**

Suppliers must establish a basis for measuring water usage and wastewater discharge, strive to reduce water usage and increase recycling, and manage water pollutants discharged in accordance with legal standards and internal criteria.

**3.2.3) Air Pollutant Management**

Suppliers must establish a basis for measuring air pollutant emissions, process them effectively according to regulations, and manage emissions according to internal standards higher than legal requirements.


**3.2.4) Resource Recycling and Waste Management**

Suppliers must establish a basis for measuring waste emissions, minimize landfill or incineration, expand the reuse and recycling of waste, and make efforts to recover discarded raw materials and components.

**3.2.5) Chemical Management**

Suppliers must strive to safely manage the transportation, storage, use, and disposal of chemicals handled in business operations and label or disclose related information to identify the risks and hazards of chemicals handled. Continuous efforts should be made to convert non-regulated substances that are harmful to human health or the environment into alternatives.

**3.2.6) Biodiversity Protection and Forest Degradation Prevention**

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Suppliers must not infringe on biodiversity conservation areas and minimize forest degradation related to business activities. Efforts should be made to protect animals within the partner's business locations and regularly monitor forest degradation caused by business activities.

**3.2.7) Soil/Noise and Vibration**

Suppliers must establish a basis for monitoring noise, vibration, and soil pollution within business locations and make efforts to minimize negative impacts.

**3.2.8) Land, Forest, and Water Rights of Local Communities and Forced Evictions**

Suppliers must not forcibly evict or illegally occupy land, forests, and water rights of local communities and indigenous peoples near business sites, and make efforts to minimize the infringement or negative impact on their rights.

**3.2.9) Animal Welfare**

Suppliers must comply with local laws and international guidelines regarding animal welfare when conducting unavoidable experiments on animals.

**3.3) Ethics**

**3.3.1) Transparent Management and Anti-Corruption**

Suppliers must not engage in bribery, embezzlement, money laundering, or other corruption-related activities and must not offer bribes, gifts, money, hospitality, or entertainment to DSC employees to receive favorable treatment from DSC.

**3.3.2) Conflict of Interest Prevention**


Suppliers must prioritize the interests of the company and customers, and must not cause harm to the company for personal gain or promise personal benefits through third parties.

**3.3.3) Fair Competition and Anti-Monopoly**

Suppliers must comply with the competition laws of each country in which they operate and must not engage in practices that may hinder fair competition, such as abusing dominant market positions or abusing transactional status. They must not obtain information through illegal means or use or disclose improperly obtained information.

**3.3.4) Whistleblower Protection**

Suppliers must establish procedures to protect the identity of whistleblowers and ensure that

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employees and suppliers can raise issues anonymously without fear of retaliation, except where legally required.

**3.3.5) Counterfeit Parts Prevention**

Suppliers must comply with product quality and safety standards, prohibit the use of unauthorized or counterfeit raw materials and parts, and continuously monitor production and distribution to ensure that counterfeit materials and parts are not used or produced. Any identified instances must be immediately reported to the customer.

**3.3.6) Export Control and Economic Sanctions**

Suppliers must comply with international trade restrictions related to products and technology and must not engage in transactions with restricted countries or individuals. Relevant documents, such as certificates of origin, must be managed according to procedures, and suppliers must cooperate in identifying the current status when necessary.

**3.3.7) Information Protection**

Suppliers may request or collect personal information of stakeholders only when necessary and must comply with laws and regulations related to personal information protection and information security. Collected information must be used appropriately and disposed of after use, and must not be provided to third parties without authorization.

**3.3.8) Accurate Records and Data Protection**

Suppliers must be responsible for accurate records of accounting books and business records, and must establish and operate policies to comply with and protect intellectual property rights, trade secrets, trademarks, and confidential information.

**3.3.9) Prohibition on the Use of Private or Public Security Forces**

Suppliers must not use private or public security forces to inflict torture, inhumane harm, physical injury, or to restrict freedom of association.

**3.3.10) Responsible Raw Material Management (Conflict Minerals and Responsible Minerals)**

Suppliers must not use conflict minerals in products traded with DSC and must submit certificates of origin if necessary. DSC may conduct due diligence on the origin of conflict minerals, and suppliers must actively cooperate. Specific materials, such as cobalt, gold, tantalum, tin, tungsten, aluminum/bauxite, natural rubber, and steel/iron, must be managed within the products.

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**4. Responsibilities and Roles of Suppliers**

Compliance with this code of conduct is an important criterion for the selection of DSC suppliers. If a partner does not make appropriate efforts to improve after violating this code of conduct, it may be difficult to maintain a smooth business relationship with DSC affiliates. All suppliers must comply with this code of conduct and recommend equal standards of human rights management, safety, health, environment, and ethics to their secondary and tertiary suppliers.