

## Supplier Sustainability – Code of Conduct

Hanon Systems believes in acting ethically and responsibly in all its business matters, and expects its supply base to do the same. This Code of Conduct (hereafter referred to as “Code”) is intended to promote supplier sustainability and clarify the company’s expectations of its global supply base in the areas of business integrity; labor practices; health and safety; and environmental management.

This Code is intended to complement the company’s Ethics Policy, of which suppliers are expected to adhere, and includes any other company policies and standards. This applies to all vendors, contractors, consultants, agents and other providers of goods and services who do business with Hanon Systems and its affiliates.

### **Business Conduct Principles**

Hanon Systems expects its suppliers to conduct business in a responsible manner, which includes acting with integrity, honesty and transparency, and to adhere to the following principles:

#### **Comply with all applicable laws and regulations in countries of operation**

Suppliers shall comply with all applicable laws and regulations in the countries where it operates, including where Hanon Systems operates. This includes compliance with the Korea Stock Exchange, conflict minerals reporting rules and requirements.

#### **Compete fairly for business, without engaging in acts of bribery or corruption, or creating a conflict of interest**

Hanon Systems is committed to conducting business legally and ethically within the framework of respect for free competition-centered market order, and expects its supply base to act and operate in the same manner. This includes engaging in acts of bribery or corruption, or any action that has the potential to create a conflict of interest in business dealings. Suppliers also are prohibited from providing or offering gifts to employees of Hanon Systems that exceed a fair market value and could create the appearance of inappropriately influencing business decisions. Employees of Hanon Systems are prohibited from doing the same.

#### **Treat employees with fairness, including fair pay, working hours and benefits.**

Suppliers shall comply with all applicable legal and regulatory requirements with respect to fair labor practices and will apply sound judgement in the treatment of its employees by providing compensation and benefits, and work hours that comply with applicable laws, regulations and collective agreements.

#### **Promote a diverse workforce and workplace free from discrimination, harassment or any other form of abuse**

Suppliers shall create a work environment where employees and business partners feel valued and respected for their contributions based on a foundation of mutual respect.

#### **Prohibit all forms of forced or compulsory labor**

Hanon Systems will not tolerate physically abusive disciplinary practices or abuse of labor in any form, and suppliers are expected to do the same by not using forced labor, regardless of its form.

#### **Prohibit the use of child labor and human trafficking**

Suppliers shall comply with International Labor Organization (ILO) standards and adhere to the minimum employment age as defined by the law. The use of child labor or human trafficking by any supplier to Hanon Systems is strictly prohibited.

**Respect employee rights to freedom of association and collective bargaining**

Consistent with applicable law, suppliers shall recognize and respect employee rights to associate freely and bargain collectively, whether represented by unions or not, and seek to provide opportunities for concerns to be heard based on employee interests.

**Provide healthy and safe working conditions, and operate with environmental diligence**

Suppliers shall work to provide and maintain a safe and healthy working environment for all employees that meets or exceeds applicable standards for occupational safety and health and compliance with environmental laws and regulations. Suppliers must also implement management systems and controls to identify hazards, and assess and control risks with the goal of protecting the world's environmental resource base, the prevention of pollution, and the protection of biodiversity and climate change mitigation.

**Deliver products and services that meet applicable health, safety and quality standards**

Suppliers shall produce products that meet applicable standards for health, safety and quality, and any issues that could negatively affect the quality or public perception of a Hanon Systems end product must be reported immediately.

**Maintain accurate financial and business records in accordance with all applicable legal and regulatory requirements and accepted accounting practices**

All suppliers are expected to keep accurate financial and business records, and provide full, fair, accurate, timely and understandable disclosures.

**Comply and cooperate with assessments or audit processes**

Suppliers must fully cooperate with any requests for assessments or audits of company records or of specific supplier locations.

**Report suspected violations of this Code**

Hanon Systems assumes all global suppliers will adhere to this Code. In the event a supplier is non-compliant in any aspect of this Code, the supplier is obligated to provide Hanon Systems with a detailed corrective action plan to address such deficiencies.

Questions concerning the stated expectation of suppliers can be directed to the Hanon Systems supplier support center at [helpsup@hanonsystems.com](mailto:helpsup@hanonsystems.com)

Violations of this Code may be anonymously reported to Hanon Systems ethics hotline. For more information about the Hanon Systems ethics policy or to make a report, visit: <http://www.hanonsystems.com/En/Company/Ethics>

*Hanon Systems reserves the right to terminate any agreement with a supplier that cannot demonstrate compliance with the Hanon Systems Code of Conduct for Supplier Sustainability*