

## General Principles

### I. Scope of Applicability

The Hyosung Advanced Materials Code of Ethics applies to all affiliated companies including the holding company of Hyosung Advanced Materials and all employees.

### II. Monitoring the Code of Ethics

Hyosung Advanced Materials regularly reviews on the Code of Ethics and may require advice from the Legal Compliance Team when encountering unclear or ambiguous application standards.

### III. Reporting Violations of the Code of Ethics

All stakeholders subject to the Code of Ethics shall report violations to the Legal Compliance Team right after perceiving them without delay. Any decisions or actions against the Code of Ethics may be investigated and penalized according to the company regulations. Unethical behaviors or corruption can be reported through the Whistle Blowing Center or HR Center. We guarantee identity of the informer is kept secret, and any disadvantages or discrimination against the informer is prohibited.

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## I . Compliance with Laws and Regulations

"We strictly comply with laws and company regulations."

01 We respect the national laws and comply with all regulations and socially defined norms of conduct.

02 We strictly comply with the company's business policies and regulations and fulfill our responsibilities and duties.

03 We regularly create jobs by earning honest business profits and earnestly fulfilling our basic roles as members of our society.

04 We respect the market economy rules and trading practices not only in domestic regions but also overseas regions that the company is operating in and comply with the laws and regulations accordingly.

05 We never conduct or get involved with illegal insider trading or money laundering.

## II . Customer-respecting Management

"A company exists to offer the value that can satisfy customers."

01 Gaining the trust of our customers is our most important priority.

02 We provide distinguished quality and service that can satisfy the needs of our customers.

03 We strive to establish transparent and fair business practices with our customers and develop healthy partnerships.

### **III. Shareholder-oriented Management**

"A company belongs to its shareholders and it should absolutely gain their trust."

01 We increase the profits for our shareholders and investors by creating value with better performance.

02 We conduct business logically and transparently to gain the trust of both our shareholders and investors.

03 We respect the rights of our shareholders and investors and offer them all the necessary information at the appropriate time to realize profits with integrity.

### **IV. Employee-respecting Management**

"Each of the employees is the most important asset of the company."

01 We mutually respect the character of each of our fellow employees and establish a sensible corporate culture based on mutual trust and understanding.

02 We create a pleasant and safe workplace where individuals can openly express their creativity.

03 We do not discriminate based on unreasonable grounds, such as nationality, educational background, place of birth, gender, age, religion, disability, political inclination, or marital status.

### **V. Employees ethical management**

"All employees aim to perform their tasks in transparent and fair manner by complying with ethical management."

01 Employees do not force, impose or respond to unfair or unethical tasks within the organization.

02 Employees do not accept or promise bribes.

03 Employees try to avoid any conflict of interest between the company and customers as well as among customers and prioritize the interests of the company and customers if any conflict of interest occurs.

04 Employees strictly manage and protect corporate and customer information which is acquired to complete work-related tasks and do not use it for private purpose.

### **VI. Suppliers Shared Growth Management**

"Suppliers are a source of competitive edge for the company, and we aim for shared growth based on transparent and fair trading with suppliers."

01 When selecting suppliers, it is considered whether they comply with Hyosung's human rights, environmental and social values.

02 A business trade with a supplier is made in an equal position, and we do not

engage in unfair trade practices, abusing our superior position.

03 We create a foundation for shared growth with suppliers by enhancing their sustainability through multi-faceted support activities.

## **VII. Social Responsibility Management**

"A company is a member of society and must achieve harmony with society to grow."

01 We fulfill all the responsibilities and duties as a member of society as well as strive to achieve mutual prosperity and progress through social contribution efforts.

02 We aspire to be an environmentally friendly company and try to get appreciation and respect from the community.

03 We properly assess the sustainability of suppliers and their products, and rightfulness of them production processes in the procurement activities in order to create a sustainable supply chain.

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## **Code of Ethics Guidelines for Practice**

### **I . Compliance with Laws and Regulations**

#### **Compliance with national policies and regulations**

01 We respect national policies and do not engage in illegal activities.

02 The company competes in good faith with its competitors based on products and services in business operation and does not engage in unfair competition.

03 We do not obtain information through unethical or illegal means violating related laws.

04 Employees who work abroad respect and comply with the local laws and social order so that their performance in the company is not interfered.

05 We do not only respect market economy order, trade customs and regulations of domestic territory but also overseas counterparts to ensure legitimate and fair business trades with our business partners.

06 As a member of the country and local communities, we comply with various laws and regulations concerning the prevention of corruption, fraud, bribery and money laundering, and report any suspicious transactions through due process and method.

#### **Compliance with the corporate regulations and basic corporate ethics**

01 We share the company's business philosophy and goals, comply with the corporate management policies and regulations, and focus capabilities to complete the imposed tasks in a timely and accurate manner based on responsibility at work.

02 In performing work-related tasks, the interests of the company are prioritized

rather than those of individual person, and the work is carried out objectively and rationally.

03 We neither work for third party individuals or companies which have a conflict of interest with the company, nor form any special relationships with them.

04 The company's confidential or sensitive information is strictly protected, and important information is communicated immediately to the relevant person for work. And we neither distort information nor disseminate any false information.

## **II. Customer-respecting Management**

### **Business trades with customers**

01 With customer satisfaction as a top priority, we strive to provide the highest-quality products and services and fully comply with our promises with customers.

02 We make sure the trades with customers are carried out reasonably in an equal position based on mutual respect.

03 We do not abuse our superior position to ask customers for any kind of unreasonable demands.

04 We do not advertise and display false or exaggerated information. We do not conceal information and disclose information that customers need to know.

05 We practice process responsibility for the entire lifecycle of our products to ensure customer safety from the procurement stage of raw materials that do not contain hazardous materials to product development, manufacturing, logistics, reuse, and recycling.

### **Partnership with suppliers**

01 We maintain mutual trust and respect with our business partners to promote shared growth and increase benefits among both parties.

02 The company provides equal opportunities in the event of bidding and signing contracts and we sign reasonable contracts in an equal position for all transactions.

03 The company maintains constructive relationship with suppliers by finding and fostering excellent suppliers.

## **III. Shareholder-oriented Management**

### **Interest protection of shareholders and investors**

01 We strive to make sound profits by efficient management activities and increase shareholders' value by rational investment.

02 We manage and record financial status accurately and transparently in accordance with accounting standards.

03 We do not engage in unfair trade practices including stock trading by using

internal corporate information for both private purposes and others.

#### **Protecting shareholders' right to know**

01 We provide reliable and useful information related to overall business status to stakeholders and investors in timely manner.

02 We try to ensure that our corporate value is evaluated properly through active advertisement and IR activities.

#### **IV. Employee-respecting Management**

##### **Respect for employees**

01 We respect individual characteristics of each employee, encourage their creative thinking and autonomy, and provide support for their capacity building as well as educational opportunities.

02 We provide equal opportunities to all employees and evaluate them fairly based on their performance and capabilities.

03 We do not discriminate on the grounds of age, disability, gender, gender identity, race, ethnicity, nationality, religion, political views, marital status, and social status when it comes to employment, work and promotion, wage payment, and welfare.

##### **Facilitating a sound corporate culture**

01 Employees do not engage in unethical conducts such as gambling, taking improper money, borrowing money, or writing joint and several liability among each other.

02 Employees do not conduct defamatory behaviors as well as any verbal, physical, sexual or visual behaviors which may offend other employees, and we respect personal privacy of each individual.

03 We do not favor or discriminate against certain individuals or organizations for reasons of nepotism, academic relations, age, disability, gender, gender identity, race, ethnicity, nationality, religion, political views, marital status, and social status and do not ask for favors to have an unfair effect on other employees.

04 The company and employees create a creative and proactive corporate culture in order to achieve shared goals and do not engage in acts that encourage departmental selfishness or conflicts.

#### **V. Employees Compliance Management**

##### **Transparent and fair work performance**

01 A supervisor should not give his/her subordinates unfair work orders contrary to legal and corporate regulations. In case such an order is made, the subordinates can

refuse to perform his/her duties after presenting rightful reason for the refusal.

02 An employee should neither engage in any kind of solicitation that undermines the fair working performance of other employees for the sake of his/her own or others' interests, nor receive or promise any bribes.

03 Employees should strive to avoid any conflict of interest between the company and customers or between customers by using their superior status and personal interests. When a conflict of interest arises, they try to seek for resolutions to minimize damages to stakeholders.

04 Employees should strictly manage and protect corporate or customer data acquired during work, in accordance with relevant laws and corporate regulations, and should not leak it out or use it for personal purposes.

## **VI. Suppliers Shared Growth Management**

### **Pursuit of shared growth**

01 When selecting suppliers, signing contracts and renewing them, we consider whether they comply with human rights, environmental and social values which our company pursues.

02 We ensure that a business trade with a supplier is carried out fairly in an equal position, and we thoroughly discuss trade conditions and process with suppliers and do not commit unfair trade practices, abusing our superior position.

03 We create a foundation for shared growth with suppliers by enhancing their sustainability through multi-faceted support activities.

04 We protect the intellectual and actual property rights of our suppliers as well as all information acquired from them.

## **VII. Social Responsibility Management**

### **Contribution to social development**

01 We respect the values of the domestic and overseas local communities where the business operates and continue to create employment and fulfill our basic responsibilities as a member of society.

02 As an exemplary member of society, we actively respond to social demands imposed to the company such as CSR activities.

03 We strive for environment conservation and actively participate in environmental protection in the local communities.

04 We actively support our suppliers in the supply chain for sustainable management and consider whether they engage in sustainable management activities when selecting and evaluating our suppliers.

05 We actively encourage green procurement in accordance with the details of the

Environment-friendly Procurement Policy.

06 We do not purchase any raw materials and materials that have problems in human rights violations, political disputes, and others in the production process, such as conflict minerals and other products in general. We also guide our suppliers within the lower supply chain to consistently apply this principle.

**Sound social life**

01 We do not engage in any conduct which will undermine the company's reputation, refrain from improper privacy, and take through self-management.

02 We do not engage in any political activity that benefit any specific party or nongovernmental organization, using the position in the company.

Hyosung Advanced Materials Code of Ethics:

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