

Dongwha Electrolyte
Code of Conduct
for Suppliers



Revision and Signoff Sheet

Change Record

Version	Date	Change reference
1.0	March 4, 2024	Establishment of Dongwha Electrolyte Code of Conduct for Suppliers

Dongwha Electrolyte Co., Ltd. (hereinafter referred to as 'Dongwha Electrolyte') strives to enhance the foundation of legal compliance management for mutual growth among suppliers supplying products and services to Dongwha Electrolyte. To this end, Dongwha Electrolyte has established the 'Dongwha Electrolyte Code of Conduct for Suppliers' (hereinafter referred to as the 'Code of Conduct') based on global standards of social responsibility, international norms and standards, and legal requirements that suppliers must comply with. Therefore, Dongwha Electrolyte suppliers must comply with all international norms and standards and the provisions of this Code of Conduct.

Suppliers of Dongwha Electrolyte must strictly comply with the laws and regulations of the countries where their businesses are located, secure a safe working environment, and operate their companies ethically while establishing and maintaining management processes that workers can respect. All provisions included in this Code of Conduct are equally important, and norms may be revised according to changes in Dongwha Electrolyte Suppliers' management policies and standards. If this Code of Conduct's content conflicts with local regulations, the higher standards shall take precedence.

Human Rights and Labor

Suppliers must protect and respect the human rights of workers throughout all stages of corporate activities and treat them fairly. This applies to all forms of workers, including temporary workers, migrant workers, interns, short-term contract workers, directly employed workers, etc. Workers must be guaranteed lawful work and rights according to local regulations.

1. Voluntary Employment

- All work and occupations must be voluntary, and workers should be able to resign freely without any disadvantages after giving reasonable notice of resignation.
- Any form of labor that goes against the workers' will, such as forced or exploitative labor, is prohibited. Suppliers are not allowed to engage in acts such as assault, threats, or confinement to force labor, nor can they exert mental pressure based on economic situations or debt relationships.
- A written employment contract clearly specifying the terms of employment must be provided in a language that workers can understand.
- Suppliers cannot compel workers to transfer government-issued identification, passports, or work permits as a condition of employment.

2. Prohibition of Child Labor

- Suppliers must comply with the 'International Labour Organization (ILO) Convention No. 138, Minimum Age Convention' and the national regulations regarding minimum employment age.

- This means that suppliers should not employ workers under the age of 15 (or 14 in the case of developing countries, according to the exception of ILO Convention No. 138) or below the minimum employment age specified by national laws.
- Workers under the age of 18 should not be engaged in night work, overtime work, or any hazardous work related to safety and health. They must also comply with regulations regarding working hours and working conditions.
- All laws and regulations must be complied with when utilizing apprenticeship programs in the workplace.

3. Prohibition of Discrimination and Harassment

- In employment practices such as recruitment, promotion, compensation, and opportunities for education and training, workers should be treated equally without discrimination or harassment based on race, skin color, age, gender, gender identity and expression, sexual orientation, ethnicity or national origin, disability status, marital or pregnancy status, religion, political affiliation, or union membership.

4. Working Hours

- Except in emergencies, working hours, including overtime work, must comply with legal requirements, and workers should not exceed the maximum working hours stipulated by local law.
- All overtime work must be voluntary and adequately compensated with appropriate premiums.

5. Wages

- The compensation provided to workers must comply with all relevant wage-related laws, including minimum wage, overtime pay, and other benefits mandated by law.
- An easily understandable pay statement must be provided promptly with each payment to enable workers to verify that they have been accurately compensated for their work.

6. Humane Treatment

- All workers must be treated with dignity. Any form of rough or inhumane treatment towards workers, including harassment, sexual abuse, corporal punishment, mental or physical coercion, and verbal abuse, is prohibited, as well as any threats to engage in such behavior.
- Suppliers must clearly define policies and disciplinary procedures to ensure the humane treatment of workers and communicate these policies to the workers.

7. Freedom of Association

- Suppliers must recognize the right to freedom of association (including the establishment of unions) and collective bargaining rights guaranteed by law. They should create an environment where workers can communicate with management about working conditions without fear of discrimination, retaliation, threats, or harassment.

Safety and Health

Suppliers must recognize that providing a safe and healthy working environment not only minimizes work-related accidents and illnesses but also enhances product and service quality, production consistency, employee retention, and morale. They should also recognize that ongoing employee education is essential for identifying and addressing safety and health issues in the workplace.

1. Work Environment

- Suppliers must ensure that elements contributing to safety and health hazards (e.g., chemicals, electricity, other sources of energy, fire, vehicles, falls, etc.) are not exposed to workers through appropriate design, engineering and administrative controls, preventive maintenance, and establishment of safe work procedures (locking devices and protective devices). Suppliers must provide workers with appropriate protective equipment if these measures are not sufficient to control hazards adequately.
- Suppliers must obtain and maintain necessary safety-related permits to operate business and comply with safety regulations in their countries.
- Suppliers must ensure that vibrations and noise resulting from heavy equipment activities comply with local safety regulations.

2. Emergency Response Measures

- Suppliers must minimize potential emergencies and accidents by identifying and assessing potential emergencies in advance. These emergency measures and response procedures should include monitoring and reporting emergencies, establishing worker notification and evacuation procedures, and implementing worker education and training.

3. Safety Diagnosis

- Regular safety assessments of the workplace must be conducted, considering its characteristics to identify and evaluate potential hazards.
- The safety of machinery, equipment, and facilities within the workplace must be evaluated regularly to prevent accidents. Furthermore, necessary equipment, such as safety devices and protective barriers, must be installed and regularly inspected.

4. Establishment of Safety Management System

- Suppliers must deploy a dedicated safety management department under the direct supervision of responsible personnel within the workplace, ensuring operational independence to establish an autonomous safety management system.
- They should develop response manuals for safety accidents, which should include immediate action procedures, evacuation protocols, reporting systems, and follow-up measures.

- Suppliers must adequately educate their employees on the response manuals for safety accidents and conduct regular preparedness training sessions in accordance with the laws of the country where the business operates.
- In the event of a safety accident, efforts should be made to investigate the root cause and devise improvement measures.

5. Safety and Health Communication

- Suppliers must provide appropriate workplace safety and health information and education in a language understandable to workers regarding workplace hazards such as machinery, electricity, chemicals, fire, and physical hazards.
- Suppliers must conduct regular safety and health training for workers. This training should include content aimed at improving workers' safety awareness and enhancing their safety management skills.

6. Health Management

- Suppliers should make efforts to maintain cleanliness of rest areas, restrooms, and dining facilities for workers.
- When suppliers provide dormitories for workers, they should ensure cleanliness and safety and provide reasonable personal space with emergency exits, hot and cold water, heating and cooling facilities, ventilation systems, lighting, and access control devices.

Environment

Suppliers must comply with environmental protection laws and regulations, recognizing that environmental protection is a fundamental social responsibility of the company. While minimizing the negative impact on the local community environment and natural resources in manufacturing processes, suppliers must also make efforts to protect public health and safety.

1. Hazardous Chemicals

- Suppliers must accurately identify chemicals and other substances with the potential for environmental pollution and ensure their safe handling, transportation, storage, usage, recycling, or reuse, as well as proper disposal.

2. Wastewater, Solid Waste, and Air Pollutants

- Before discharging or disposing of wastewater, solid waste, volatile organic chemicals, smoke agents, corrosives, particulates, ozone-depleting substances, and combustion by-products generated from facility operations, industrial processes, and sanitation facilities, suppliers must first identify their characteristics and then control and manage them within the limits permitted by law.

3. Prevention of Pollution and Reduction of Resource Use

- Efforts should be made to minimize the emission of pollutants and the discharge of waste by modifying production, maintenance, and facility processes, substituting raw materials, conserving materials, and recycling and reusing materials. Additionally, efforts should be made to reduce the consumption of energy and fuel.

4. Energy Consumption and Greenhouse Gas Emissions

- The life cycle assessment related to production, products, and transportation processes and environmental data supporting such assessment should be calculated using internationally recognized methodologies. Moreover, suppliers must provide Dongwha Electrolyte with the results and data of such life cycle assessments upon request.
- Suppliers should establish systems for monitoring the electricity consumption of their facilities and building databases related to greenhouse gas (GHG) emissions. These systems should be aimed at minimizing energy consumption and GHG emissions.

Ethical Management

Suppliers must comply with the following to fulfill social responsibility and achieve sustainable growth:

1. Business Integrity

- Suppliers must maintain the highest level of integrity in all business interactions, strictly prohibiting any form of corruption, coercion, extortion, embezzlement, and other inappropriate behaviors.

2. Prohibition of Unfair Profits

- Promising, proposing, permitting, providing, or accepting bribes or other means to obtain unfair or inappropriate benefits is strictly prohibited. This includes promising, proposing, permitting, providing, or accepting bribes through third parties, directly or indirectly, to acquire or retain business rights or granting business rights to specific individuals or obtaining undue benefits.

3. Compliance with Fair Trade

- Suppliers must comply with relevant laws and regulations related to fair trade and should not engage in practices that hinder fair trading practices.

4. Information Disclosure

- All transactions must be conducted transparently and accurately recorded in the accounting books and internal systems. The company must disclose information regarding labor, health,

safety, environmental management practices, business activities, structure, financial status, and performance in accordance with relevant regulations and prevailing industry standards.

- Suppliers should not tolerate the forgery of records or false statements based on conditions or practices within the supply chain.

5. Protection of Identity and Prohibition of Retaliation

- Suppliers must provide confidential and anonymous reporting channels for concerns related to actual or potential adverse impacts within the supply chain of materials supplied to Dongwha Electrolyte.
- No form of retaliation should be accepted against individuals reporting unlawful acts or participating in subsequent investigations.

6. Compliance with Export Controls and Economic Sanctions

- Suppliers must comply with all applicable domestic and international trade embargoes and sanctions and take all necessary measures to avoid the risks of violation of sanctions.

7. Building a Culture of Trust

- Suppliers must not engage in any actions that hinder the trust of the entire Dongwha Electrolyte supply chain, such as publicly disseminating false facts to denigrate members of Dongwha Electrolyte, competitors, or other stakeholders, thereby damaging their reputation.

Responsible Raw Material Procurement

Suppliers must comply with the following for responsible raw material procurement.

1. Establishment of Policies and Systems

- Suppliers must establish policies stating that they will not use raw materials acquired through illegal and unethical methods that could result in serious human rights abuses, war crimes, serious violations of international humanitarian law, crimes against humanity, mass atrocities, risks to health or safety, water scarcity, waste, pollution, or environmental destruction.
- Suppliers must include provisions related to conflict minerals and responsible minerals within their relevant policies. If raw materials, components, or products supplied to Dongwha Electrolyte contain tin, tantalum, tungsten, gold (collectively referred to as 3TG), and cobalt (not currently included), suppliers must establish systems to ensure that they do not directly or indirectly provide resources or benefits to armed groups that violate human rights in conflict-affected areas such as the Democratic Republic of Congo or neighboring countries.

2. Conducting Due Diligence According to OECD Guidance

- Suppliers must conduct due diligence on the origin and supply chain of raw materials, components, and products supplied to Dongwha Electrolyte, especially if they contain 3TG and cobalt (not currently included). Upon request from Dongwha Electrolyte, suppliers should be able to provide the results of their due diligence.
- If requested by Dongwha Electrolyte, suppliers must promptly provide results of the due diligence, including origin, smelter, and refinery information, if 3TG and cobalt (not currently included) are included in the raw materials, parts, or products supplied to Dongwha Electrolyte.

Protection of Trade Secrets and Intellectual Property

Suppliers must not disclose or provide any technical data, information, or intellectual property acquired in transactions with Dongwha Electrolyte to third parties without prior consent from Dongwha Electrolyte.

1. Management and Protection of Confidential Information

- Technical data, information, and intellectual property acquired in the process of supplying products and services to Dongwha Electrolyte should only be used within the scope permitted by Dongwha Electrolyte and must be actively protected.

2. Protection of Intellectual Property

- Suppliers must not infringe upon or illegally use the intellectual property of others, such as patents, software, designs, or trademarks, in the process of supplying products and services to Dongwha Electrolyte.
- The transfer of technology and expertise must be conducted in a manner that respects intellectual property rights.

Quality Management

Suppliers must strive to achieve the highest level of supply chain by providing Dongwha Electrolyte with products and services of the highest quality.

1. Quality Control

- Suppliers should endeavor to supply Dongwha Electrolyte with self-validated quality products to ensure the production and supply of the highest level of products.

2. Responsibility of Management

- Suppliers must notify Dongwha Electrolyte in advance of factors that may affect quality, such as changes in equipment, materials, or work methods, and make efforts to prevent defects from occurring.

3. Quality Management among Suppliers

- Suppliers should contribute to ensuring the quality of products and services of other suppliers with whom they trade through technical and quality support.