

Audit Team-24-09-001

ILJIN Group Subcontractor Code of Conduct (Rev.4)



2024. 09. 24

■ Audit Team ■



ILJIN Group Subcontractor Code of Conduct

Doc. No. : 협력업체행동규범-01

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1. ILJIN Group Subcontractor Code of Conduct (RBA Code of Conduct 8.0 and SAQ5.0 requirements were included.)

1.1 Code of Conduct

1.1.1 The ILJIN Group's Employee Code of Conduct for is a standard to establish a safe work environment in the supply chain in the automotive parts manufacturing industry, ensure responsible business, respect human rights and dignity for workers, and operate the company in an environmentally friendly and ethical manner based on social and customer requirements related to the company's ESG management and the Responsible Business Alliance (RBA) Code of Conduct.

1.1.2 Automobile parts manufacturing industry enterprises for the purpose of this Code refer to companies that design, market, and manufacture products related to automobile parts, or all companies that provide goods and services used to produce products. Any company in the automotive parts manufacturing industry and its subcontractors, including its subcomponents and contract service providers, may voluntarily adopt the code of conduct.

1.1.3 To adopt the Code and become a ILJIN's subcontractor, a business should declare its support for the Code and actively pursue conformance to the Code and its standards in accordance with a management system as herein. At a minimum, Subcontractors should also require its next tier suppliers to acknowledge and implement the this Code & RBA CODE.

1.1.4 The basis for adopting this Code is the understanding that all business activities should be conducted in strict compliance with applicable laws, rules and regulations. Also, based on best practices in the global supply chain, this Code of Conduct encourages ILJIN to go beyond legal compliance to advance its social and environmental responsibility and business ethics.

In no case can complying with the Code violate local laws.

However, if standards differ between this Code & RBA Code and local law, ILJIN will define the most stringent requirements as meeting the requirements

1.1.5 The provisions of this Code are derived from and respect internationally recognized standards including:

- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- ILO Fundamental Conventions
- UN Universal Declaration of Human Rights

1.1.6 The purpose of this code is to ensure compliance with the laws and regulations necessary for the management of ILJIN's subcontractor and to have and practice high-level operational standards in each of the following sectors (A. Labor, B. Safety and Health, C. Environment, D. Ethics, and E. Management System).

1.1.7 The scope of application of this code is for ILJIN Group's partner companies (in-house and external), and ILJIN should receive and manage a letter of commitment to the code of conduct from its partners once a year.

(Internal Subcontractor : The responsible department takes charge of receiving Commitment letters from subcontractors, and the general affairs team collects and manages them.,

External Subcontractor : Purchasing team)

1.1.8 ILJIN may make reasonable changes to this code of conduct as necessary, and ILJIN or an external organization designated by ILJIN may visit the subcontractor's site (internal or external) to assess whether the subcontractor is complying with this code of conduct and require improvements, and if it is determined that the subcontractor does not comply with the ILJIN Group subcontractor code of conduct or is unwilling to improve, ILJIN Group will terminate or suspend business with the subcontractor.

A. Labor

ILJIN's subcontractors commit to respect the human rights of workers, and to treat them with dignity. This applies to direct and indirect suppliers, as well as all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The labor standards are as follows:

1. Prohibition of Forced Labor

1.1 Forced labor in any form, including but not limited to, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted.

- 1.2 This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services.
- 1.3 There should be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company- provided facilities including, if applicable, workers' dormitories or living quarters.
- 1.4 As part of the hiring process, An employment contract including working conditions should be written for all workers in the worker's native language or a [language the worker can understand](#), and one copy should be provided to the worker after the employment contract is concluded.
- 1.5 Foreign migrant workers should receive the employment agreement prior to the worker departing from his or her country of origin.
- 1.6 There should be no substitution or change(s) allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.
- 1.7 All work should be voluntary, and workers should be free to leave work at any time or terminate their employment without penalty if reasonable notice is given, [which should be clearly stated in workers' contracts](#).
- 1.8 [ILJIN's subcontractor should maintain documentation on all leaving workers](#).
- 1.9 Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Employers can only hold documentation [if necessary to comply with the local law](#). In this case, at no time [should workers be denied access](#) to their documents.
- 1.10 Workers should not be required to pay employers' agents or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees should be repaid to the worker.

2. Young Workers

- 2.1 Child labor should not be used in any stage of manufacturing.
- 2.2 The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment [in the country](#), whichever is greatest.
- 2.3 Workers under the age of 18 (Young Workers) should not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.
- 2.4 ILJIN's subcontractor should ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations.
- 2.5 ILJIN's subcontractor should implement an appropriate mechanism to verify the age of workers.
- 2.6 The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported.
- 2.7 ILJIN's subcontractor should provide appropriate support and training to all student workers.
- 2.8 In the absence of local law, the wage rate for student workers, interns, and apprentices should be at least the same wage rate as other entry-level workers performing equal or similar tasks.
- 2.9 If child labor is identified, assistance/remediation should be provided.

3. Working Hours

- 3.1 Working hours should not exceed the maximum set by local law.
- 3.2 Working hours should not exceed the maximum working hours prescribed by local law, including overtime, except in the case of emergency or emergency situations.
- 3.3 All overtime should be voluntary.
- 3.4 Workers should be allowed at least one day off every seven days.

4. Wages and Benefits

- 4.1 Compensation paid to workers should be paid on the specified date in compliance with all wage-related laws, including minimum wage, overtime pay, and statutory allowance laws.
- 4.2 [All workers should receive equal pay for equal work and qualification](#).

4.3 According to local law, workers' overtime pay should be higher than their regular hourly rate.

4.4 [Deductions from wages as a disciplinary measure](#) should not be permitted.

4.5 Employers should provide payslips written in a language employees can understand.

4.6 For each pay period, workers should be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.

4.7 All use of temporary, dispatch and outsourced labor should be within the limits of the local law.

5. [Non-Discrimination/Non-Harassment/Humane Treatment](#)

5.1 ILJIN's subcontractor should commit to a workplace free of harassment and unlawful discrimination.

5.2 The human rights of all workers should be respected and There should be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment.

5.3 ILJIN's subcontractor should not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training.

5.4 Disciplinary policies and procedures in support of these requirements should be clearly defined and communicated to workers.

5.5 Workers should be provided with reasonable accommodation for religious practices and disability.

5.6 In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way.

6. [Freedom of Association and Collective Bargaining](#)

6.1 [Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues.](#)

6.2 Workers and/or their representatives should be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

6.3 [In alignment with these principles](#), ILJIN's subcontractor should respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities.

6.4 [Where the right of freedom of association and collective bargaining is restricted by applicable laws and regulations, workers should be allowed to elect and join alternate lawful forms of worker representations.](#)

7. Rights of minorities and indigenous peoples

7.1 ILJIN's subcontractor should not deny the rights of racial, religious, or linguistic minorities or indigenous people to enjoy their own culture, believe and practice their own religion, and use their own language together with other members of their own group.

8. [Use of private or public security forces](#)

8.1 ILJIN's subcontractor does not tolerate unlawful conduct on the part of security personnel toward employees or third parties. Security forces engaged by ILJIN's subcontractor obliged to respect all internationally recognized human rights and environment related rights and to ensure that security personnel receive adequate guidance and training, where necessary, through appropriate regulations and measures.

9. Conflict of Interests□

9.1 ILJIN's subcontractor requires that employees avoid any conflict between their own interests and the interests of their company in dealing with suppliers, customers and other third parties.

9.2 It is also a conflict of interest for an employee during or subsequent to employment and without proper authority to give or make available to anyone or use for his/her own benefit information of a confidential nature derived from his/her employment.□

B. HEALTH AND SAFETY

ILJIN's subcontractor should comply with safety and health-related laws and regulations in each country in which they operate, and should obtain and maintain all safety and health-related licenses necessary for business operations.

ILJIN's subcontractor recognizes that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention and morale.

ILJIN's subcontractor also recognizes that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

The health and safety standards are as follows:

1. 산업 안전보건

1. Occupational Safety

1.1 Worker potential for exposure to health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards, etc.) should be identified and assessed, mitigated using the Hierarchy of Controls.

1.2 Where hazards cannot be adequately controlled by these means, workers should be provided with appropriate, well-maintained, personal protective equipment, and educational materials about risks to them associated with these hazards.

1.3 Gender-responsive measures should be taken, such as not having pregnant women and nursing mothers in working conditions, which could be hazardous to them or their child and to provide reasonable accommodations for nursing mothers.

2. Emergency Preparedness

2.1 ILJIN's subcontractor should have an emergency response manual that covers emergency situation reporting, response, and follow-up measures to respond to emergencies such as natural disasters, group infections, fires, and safety accidents. ILJIN's subcontractor minimize damage by identifying and assessing potential emergency situations and situations and implementing emergency plans and response procedures.

2.2 response procedures including emergency reporting, employee notification and evacuation procedures, worker training, and drills.

2.3 Emergency drills should be executed at least annually or as required by local law, whichever is more stringent.

2.4 The emergency plan should also include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, emergency routes, guiding lights, detection alarms, and fire protection in good running order, contact information for emergency response personnel, and a recovery plan.

2.5 Such plans and procedures should focus on minimizing harm to life, the environment, and property.□

3. Occupational Injury and Illness

3.1 Procedures and systems should be in place to prevent, manage, track and report occupational injuries and

3.2 illnesses, including provisions to encourage worker reporting, classify and record injury and illness cases, provide necessary medical treatment, investigate cases and implement corrective actions to eliminate their causes, and facilitate the return of workers to work.□

3.3 ILJIN's subcontractor should allow workers to remove themselves from imminent harm, and not return until the situation is mitigated, without fear of retaliation.□

3.4 If an industrial accident or serious illness occurs, the ILJIN's subcontractor should take necessary measures, such as stopping the work and evacuating employees. Additionally, efforts should be made to investigate the cause and devise improvement measures.

4. Industrial Hygiene

4.1 Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled according to the Hierarchy of Controls. □

4.2 When hazards cannot be adequately controlled, workers should be provided with and use appropriate, well-maintained, personal protective equipment free of charge.



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4.3 ILJIN's subcontractor should provide workers with safe and healthy working environments, which should be maintained through ongoing, systematic monitoring of workers' health and working environments.

4.4 ILJIN's subcontractor should provide occupational health monitoring to routinely evaluate if workers' health is being harmed from occupational exposures.

4.5 Protective occupational health programs should be ongoing and include educational materials about the risks associated with exposure to workplace hazards.

5. Physically Demanding Work

5.1 Employee exposure to hazards of physical work should be identified, evaluated, and controlled.

5.2 These hazards include manual and heavy material handling and repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

6. Machine Safeguarding

6.1 Production and other machinery should be evaluated for safety hazards.

6.2 Physical guards, interlocks, and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

6.3 ILJIN's subcontractor should regularly conduct safety inspections of harmful or dangerous machines, instruments, and equipment in accordance with laws and self-established guidelines.□

7. Sanitation, Food, and Housing

7.1 Workers should be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities.

7.2 Worker dormitories provided by the ILJIN's subcontractor should be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, and **adequate conditioned ventilation**, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

8. Health and Safety Communication

8.1 ILJIN's subcontractor should provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards.

8.2 **Health** and safety related information should be clearly posted in the facility or placed in a location identifiable and accessible by workers.

8.3 **Health information and training should include content on specific risks to relevant demographics, such as gender and age, if applicable.**

8.4 Training should be provided to all workers prior to the beginning of work and regularly thereafter.

8.5 Workers should be encouraged to raise any health and safety concerns without retaliation.

9. Physical examination and follow-up care

9.1 ILJIN's subcontractor should regularly conduct general and special physical examinations(health checkups) for employees in accordance with the physical examination(health checkup) laws of each country in which they operate, and should take measures such as changing workplaces, switching jobs, and shortening working hours if necessary as a result of physical examinations(health checkups).

C. ENVIRONMENT

Across all business functions, ILJIN's subcontractor recognize that environmental responsibility is integral to producing world-class products. ILJIN's subcontractor should identify the environmental impacts and minimize adverse effects on the community, environment, and natural resources, while safeguarding the health and safety of the public.

The environmental standards are as follows:



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1. Environmental Permits and Reporting

1.1 All required environmental permits (e.g. discharge monitoring), approvals, and registrations should be obtained, maintained, and kept current and their operational and reporting requirements should be followed.

2. Pollution Prevention and Resource Conservation

2.1 Emissions and discharges of pollutants and generation of waste should be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means.

2.2 The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, should be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

3. Hazardous Substances

3.1 ILJIN's subcontractor should identify and record all chemical substances (including designated waste) that are harmful to the human body or have the potential to pollute the environment when leaked, and safely store, transport, use, recycle/reuse or dispose of the substances. Additionally, a response plan in case of a leak should be established and regular response training should be conducted.□

3.2 Chemicals, waste, and other materials posing a hazard to humans or the environment should be identified, labeled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal.

3.3 Hazardous waste data should be tracked and documented.

4. Solid Waste

4.1 ILJIN's subcontractor should implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).

4.2 Waste data should be tracked and documented.

5. Air Emissions

5.1 Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations should be characterized, routinely monitored, controlled, and treated as required prior to discharge.

5.2 Ozone- depleting substances should be effectively managed in accordance with the Montreal Protocol and applicable regulations.

5.3 ILJIN's subcontractor should conduct routine monitoring of the performance of its air emission control systems.

6. Water Management

6.1 ILJIN's subcontractor should implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination.

6.2 All wastewater should be characterized, monitored, controlled, and treated as required prior to discharge or disposal.

6.3 ILJIN's subcontractor should conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

7. Energy Consumption and Greenhouse Gas Emissions

7.1 ILJIN's subcontractor should establish and report against an absolute corporate-wide greenhouse gas reduction goal.

7.2 Energy consumption and all Scopes 1, 2, and significant categories of Scope 3 greenhouse gas emissions should be tracked, documented, and publicly reported.

7.3 ILJIN's subcontractor should look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

8. Land, forest and water rights and forced eviction

8.1 ILJIN's subcontractor commits to the avoidance of forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters.



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9. Animal Welfare

- 9.1 ILJIN's subcontractor adheres to the highest standards of ethical conduct and comply with all legal requirements regarding animal welfare.
- 9.2 ILJIN's subcontractor strives to uphold its beliefs in the humane treatment of animals, including freedom from thirst and hunger, freedom from discomfort, pain, injury, and disease, freedom to express normal behavior, and freedom from fear and suffering.

10. Biodiversity, land use and deforestation

- 10.1 ILJIN's subcontractor will be active to the maintenance of ecosystems so that flora and fauna are not lost and natural habitats do not suffer irreparable damage and should not deforestation.

11. Soil quality

- 11.1 ILJIN's subcontractor will determine the condition of the soil in their area of responsibility and establish measures to maintain and improve soil quality.□

12. Noise emissions□

- 12.1 ILJIN's subcontractor will determine the release of noise into the environment from various sources that can be grouped in : transportation activities, industrial activities and daily normal activities and will establish measures to improve noise emissions.□

13. Renewable energy

- 13.1 In order to introduce renewable energy use, ILJIN's subcontractor should consider the application of renewable energy solutions considering workplace conditions and prepare specific management policies, including the development of eco-friendly energy technologies such as clean hydrogen.

14. Decarbonization

- 14.1 ILJIN's subcontractor undertakes to implement measures to reduce its direct and indirect CO2e emissions. In addition, ILJIN's subcontractor should establish a policy that considers compliance with CO2e emission reduction requirements when selecting their suppliers.
- 14.2 ILJIN's subcontractor should establish policies to ensure transparency regarding emissions and upstream supply chain emissions and to set and manage reduction targets, including targets applicable to the supply chain.l

D. ETHICS

To meet social responsibilities and to achieve success in the marketplace, ILJIN's subcontractor is to uphold the highest standards of ethics including. ILJIN's subcontractor should establish and comply with policies and regulations to prevent corrupt activities such as bribery, embezzlement, and improper solicitation, and should continuously check and manage related policies and regulations to comply with anti-corruption laws and regulations.

1. Business Integrity

- 1.1 The highest standards of integrity should be upheld in all business interactions.
- 1.2 ILJIN's subcontractor should have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, extortion and embezzlement.
- 1.3 Employees have the right to refuse any action that does not conform to the strictest integrity policy, and ILJIN's subcontractor should protect them from retaliation for such refusal.

2. No Improper Advantage

- 2.1 Bribes or other means of obtaining undue or improper advantage should not be promised, offered, authorized, given, or accepted.
- 2.2 This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.
- 2.3 Monitoring, record keeping, and enforcement procedures should be implemented to ensure compliance with anti-corruption laws.
- 2.4 Employees should immediately notify the company if a potential or actual conflict of interest arises.



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4. Intellectual Property

- 4.1 Intellectual property rights should be respected.
- 4.2 Transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer and supplier information should be safeguarded.

5. Fair Business, Advertising and Competition

- 5.1 Standards of fair business, advertising, and competition are to be upheld.
- 5.2 ILJIN's subcontractor should not engage in acts that undermine the fair trade order, such as collusion and anti-monopoly.

6. Protection of Identity and Non-Retaliation

- 6.1 ILJIN's subcontractor should operate a reporting channel to report unethical behavior, such as violations of policies and regulations, and protect the anonymity of reporters.
- 6.2 Programs that ensure the confidentiality, [anonymity](#), and protection of supplier and [employee whistleblowers](#) should be maintained, unless prohibited by law.□
(Definition of Whistleblower : This word refers to a person who exposes inappropriate actions committed by a company's executives, employees, public officials, or public institutions.)
- 6.3 ILJIN's subcontractor should have a communicated process for their personnel to be able to raise any concerns without fear of retaliation.
- 6.4 ILJIN's subcontractor should operate a whistleblower protection system to prohibit retaliation in terms of dismissal, unfair transfer or job change, or personnel evaluation for reporting.□

7. Responsible Sourcing of Minerals

- 7.1 ILJIN's subcontractor should establish a policy not to use raw materials obtained through illegal and unethical methods (e.g. minerals mined from mines occupied by armed forces, timber harvested in areas where forest conservation and logging are prohibited, etc.).
- 7.2 ILJIN's subcontractor should include conflict minerals clauses in their relevant policies, and minerals (tantalum, tin, tungsten, gold(3TG), [cobalt](#)) contained in raw materials/components/products supplied by subcontractors and raw materials from illegally harvested timber should not be used in our supply chain under any circumstances. ILJIN's subcontractor should also establish systems to ensure that minerals (tantalum, tin, tungsten, gold (3TG), [cobalt](#)) and raw materials from illegally harvested timber do not directly or indirectly finance or benefit armed groups that commit serious human rights abuses in the Democratic Republic of the Congo or neighboring countries.
- 7.3 Materials included in products exported to countries with a high potential for producing weapons of mass destruction, conventional weapons, and missiles, such as North Korea(Democratic People's Republic of Korea), Iran, Syria, Sudan, and Cuba, should comply with management standards required by the international community.
- 7.4 ILJIN's subcontractor should establish and operate policies that comply with international regulations and country-specific laws.
- 7.5 ILJIN's subcontractor should track the use of substances throughout the entire supply chain, including the origin and suppliers of related substances, and through this, ILJIN should strive to prove the origin of substances used in the production process.□
- 7.6 Upon request by ILJIN, ILJIN's subcontractor should promptly provide ILJIN with the results of their due diligence, including information on the origin and smelters and refineries of the minerals (talc, tin, tungsten, gold (3TG), cobalt) contained in the raw materials/parts/products supplied to ILJIN.
- 7.7 ILJIN's subcontractor should adopt a policy and exercise due diligence on the source and chain of custody of the tantalum, tin, tungsten, gold, and cobalt in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organization for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas or an equivalent and recognized due diligence framework and ILJIN's subcontractor should be able to provide the due diligence materials upon request from ILJIN.

8. Privacy

- 8.1 ILJIN's subcontractor is to commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers, and employees.□
- 8.2 ILJIN's subcontractor is to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.



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9. Export controls and economic sanctions

9.1 ILJIN will respect the restrictions on the export or re-export of goods, software, services and technology, as well as with applicable restrictions on trade involving certain countries, regions, companies or entities and individuals.

E. MANAGEMENT SYSTEMS

ILJIN's subcontractor should adopt or establish a management system with a scope that is related to the content of this Code. The management system should be designed to ensure: (a) compliance with applicable laws, regulations and customer requirements related to the ILJIN's subcontractor operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

1. Company Commitment

1.1 ILJIN's subcontractor should establish human rights, health and safety, environmental and ethics policy statements affirming ILJIN's subcontractor commitment to due diligence and continual improvement, endorsed by executive management. Policy statements should be made public and communicated to workers in a language they understand via accessible channels.

2. Management Accountability and Responsibility

2.1 ILJIN's subcontractor should clearly identify senior executive and company representative(s) responsible for ensuring implementation of the management systems and associated programs.

2.2 Senior management reviews the status of the management systems on a regular basis.

3. Legal and Customer Requirements

3.1 ILJIN's subcontractor should adopt or establish a process to identify, monitor and understand applicable laws, regulations, and customer requirements, including the requirements of this Code.

4. Risk Assessment and Risk Management

4.1 ILJIN's subcontractor should adopt or establish a process to identify the legal compliance, environmental, health and safety, labor practice and ethics risks, including the risks of severe human rights and environmental impacts, associated with ILJIN's subcontractor operations.

4.2 ILJIN's subcontractor should determine the relative significance for each risk and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5. Improvement Objectives

5.1 ILJIN's subcontractor should establish written performance objectives, targets and implementation plans to improve the ILJIN's subcontractor social, environmental, and health and safety performance, including a periodic assessment of ILJIN's subcontractor performance in achieving those objectives.

6. Training

6.1 ILJIN's subcontractor should establish programs for training managers and workers to implement ILJIN's subcontractor policies, procedures, and improvement objectives and to meet applicable legal and regulatory requirements.

7. Communication

7.1. ILJIN's subcontractor should establish process for communicating clear and accurate information about ILJIN's subcontractor policies, practices, expectations, and performance to workers, suppliers, and customers.

8. Worker/Stakeholder Engagement and Access To Remedy

8.1 ILJIN's subcontractor should establish processes for ongoing two-way communication with workers, their representatives, and other stakeholders where relevant or necessary.

8.2 The process should aim to obtain feedback on operational practices and conditions covered by this Code, and to foster continuous improvement.

8.3 Workers should be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.

9. Audits and Assessments

9.1 ILJIN's subcontractor should conduct periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

10. Corrective Action Process

10.1 ILJIN's subcontractor should establish a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.



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11. Documentation and Records

11.1 ILJIN's subcontractor should create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

12. Supplier Responsibility

12.1 ILJIN's subcontractor should establish a process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

12.2 ILJIN's subcontractor should perform its duty to support subcontractors in implementing the requirements of this code and to supervise the fulfillment of their responsibilities. This includes suspending business with suppliers who fail to faithfully fulfill their responsibilities.



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※ Document Revision History

NO	Date	Contents	Resp. Dept.	Note
0	23.05.10	Regulation released according to addition of RBA VAP 7.1 requirements.	Audit Team	
1	23.07.19	Regulation revised according to corrective action improvement results of RBA VAP 7.1 Audit findings.	Audit Team	
2	23.12.04	Regulation revised according to addition of SAQ5.0 and Management System requirements.	Audit Team	
3	24.05.14	Regulation revised according to addition of HKMC' ESG Management requirements.	Audit Team	
4	24.09.24	Regulation revised according to the revision of RBA Code of Conduct 8.0 Version.	Audit Team	



ILJIN Group Subcontractor Code of Conduct

Doc. No. : 협력업체행동규범-01

Rev. No. : 04

Rev. Date : 2024.09.24

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▶ ILJIN Group Subcontractor Code of Conduct commitment letter Format :

ILJIN Group Subcontractor Code of Conduct commitment letter

We have fully understood the purpose and content of the ILJIN Group Subcontractor Code of Conduct declared by your company, and we pledge as follows to actively participate in the establishment of precision management based on transparency pursued by your company.

First, we strive to protect the human rights of workers and treat them with dignity and respect as agreed upon by the international community.

Second, we provide a working environment that minimizes the occurrence of work-related accidents and diseases and promotes the quality of products and services, consistency of production, employee retention, and morale. In addition, our company strives to identify and resolve health and safety issues in the workplace through continuous worker input and training.

Third, we identify the environmental impacts of our manufacturing processes and minimize negative impacts on our communities, environment and natural resources while protecting public health and safety.

Fourth, we do not conduct transactions through unfair or unethical methods, and all business transactions are carried out transparently.

Fifth, in compliance with international ethical standards, our company strictly restricts the use of conflict minerals (tantalum, tin, tungsten, gold, cobalt, etc.) generated in areas where serious human rights abuses are prevalent among the raw materials we purchase.

In addition, in order to practice ethical management, our company provides the following information regarding unethical acts and resulting responsibilities that occur in connection with transactions with your company (including transactions currently in progress and all transactions conducted pursuant to contracts concluded with your company in the future). I pledge to comply.

First, we pledge to ensure that there is no violation of relevant laws and commercial practices when conducting transactions with your company, and in particular, to ensure that the following unethical acts do not occur.

- 1) Providing money, entertainment, hospitality, and other monetary/non-monetary benefits to executives and employees of your company and executives and employees of affiliates of your corporate group (ILJIN Group) who can influence transactions with your company.
- 2) Unfair acts such as collusion in bidding with our company's peers or competitors.
- 3) Intentionally providing false information or omitting important information in connection with concluding a contract.

Second, if there is a request for cooperation in an investigation into unethical behavior, we will do our best to cooperate, including submitting the requested relevant data (including documents and financial data necessary to investigate unethical behavior).

Third, in the event of an unethical act, we agree that your company will notify your company and its corporate group (ILJIN Group) affiliates of the fact that our unethical act occurred and information about the unethical act and its specific details. We confirm that this notification and the sharing of information related to unethical behavior that occurs as a result thereof does not constitute a violation of your company's duty of confidentiality or an infringement of our trade secrets.

Fourth, our company may impose sanctions (refusal of contract renewal, refusal of contract renewal) on transactions with us (including but not limited to participation in future bids) on the basis of unethical behavior by your company and its affiliates sharing information related to unethical behavior. We agree that we may impose restrictions on new transactions, but in the case of your company, which is a direct party to a transaction in which an unethical act occurred, it is not necessarily limited to this and means reasonable sanctions corresponding to the unethical act. In this regard, your company may We confirm that we will not raise any objections, including holding our affiliates liable for civil or criminal liability, for sharing information related to unethical practices.

Fifth, our company will comply with the ILJIN Group Subcontractor Code of Conduct, and in our dealings with suppliers, contractors, etc. related to us, our company will establish and implement a system that enables us to participate in the responsible corporate activities aimed at in this Code. If our company receive notification of transaction suspension, etc. from ILJIN Group due to our failure to fulfill these performance obligations, our company confirm that our company will accept this and not raise any objection.

Date :

Company Name :

Company Registration Number :

Representative : (Signature)

Dear ILJIN Group