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## LABOR & HUMAN RIGHTS POLICY

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### Policy Purpose

SONGWON Industrial Group is committed to guaranteeing and respecting the rights to human dignity, freedom and happiness as core values, and recognizes the dignity and value of all executives, employees and stakeholders.

### Scope of Application

The Labor & Human Rights policy applies to all SONGWON Industrial Group executives and employees as well as all stakeholders in the value chain including customers, partners, distribution and logistics companies that maintain business relationships with SONGWON. All executives and employees shall perform their business duties in accordance with this policy, except in cases where specific laws or regulations in each country apply.

### Scope of Responsibilities

At SONGWON Industrial Group, the Executive Committee (ECM), which operates under the Board of Directors, reviews major strategic initiatives and response measures to Labor & Human Rights issues and manages and supervises their implementation and performance.

In addition, the Sustainability Management Team and Global HR Team promote Labor & Human Rights management activities and collaborate to implement strategic actions.

### Labor & Human Rights Policy Implementation

SONGWON Industrial Group will diligently implement and comply with the Labor & Human Rights Policy.

- SONGWON Industrial Group prioritizes the health and safety of its employees and related stakeholders and strictly complies with all relevant laws and internal policies by:
  - a) providing a safe and healthy working environment for all workers by eliminating workplace risk factors.
  - b) taking preventive measures, providing personal protective equipment and conducting regular risk assessments.

- SONGWON Industrial Group sets the wages of its executives and employees at or above the minimum level (e.g., living wage) stipulated by the labor laws of each country or region. without discrimination based on gender, race, religion, nationality or ethnicity, etc.. SONGWON maintains fair labor practices by:
  - a) adhering to regular working hours and overtime standards as specified by the labor laws in each country or region
  - b) monitoring the minimum wage level in each country every year.
  - c) conducting wage increase briefing sessions for all executives and employees to provide accurate information on wage increases.
  - d) operating an overtime management system.
  - e) paying overtime wages in accordance with the standards set forth in the labor laws of the country or region where the overtime is done.
- SONGWON Industrial Group is committed to fostering continuous career development and education. To support employees to realize their full potential, while ensuring equal opportunities for all, without discriminating against gender, disability, ethnicity, age, or religion, SONGWON:
  - a) offers an employee exchange program.
  - b) has an easily accessible E-learning platform
  - c) provides education programs on a variety of topics such as:
    - i. Ethics (incl. discrimination, sexual harassment, workplace harassment, diversity, fair trade, corruption, intellectual property rights, etc.)
    - ii. Information security
    - iii. Health and Safety
    - iv. English language
    - v. Goal setting
    - vi. Disability Awareness
  - d) has a Performance Management System (PMS), to provide employees with the support they need to realize their strategies, goals, and growth aspirations.
- SONGWON Industrial Group respects freedom of association and the right to collective bargaining in accordance with the labor laws of each country or region and guarantees no employee faces unfair treatment due to their membership, activity, or formation of a labor union. To ensure this, SONGWON:
  - a) holds a regular labor-management council meeting once every quarter

- SONGWON Industrial Group does not employ children or adolescents under the age of 15. Any young people under the age of 18 are employed in full compliance with the applicable labor laws and regulations and it is ensured that they are not engaged in dangerous or harmful work.
- SONGWON Industrial Group ensures that its executives and employees are not forced to work against their free will through mental or physical restraint (incl. slavery or human trafficking), and does not require government-issued identification cards, passports, or work permits to be handed over as a condition of employment.
- SONGWON Industrial Group respects all executives and employees within SONGWON Industrial Group and all stakeholders in the related value chain as human beings and strives to prevent any human rights violations. To promote a positive, inclusive and fair work environment and prevent violations of human rights, SONGWON:
  - a) conducts ethics trainings related to diversity and non-discrimination once a year
  - b) operates a grievance counseling center and has a whistleblowing process
  - c) organizes a campaign to prevent workplace bullying and sexual harassment once a year
  - d) offers support programs for minorities and vulnerable groups (e.g. family care leave, flexible work hours, etc.)
- SONGWON Industrial Group supports international standards such as the Universal Declaration of Human Rights, the UN Global Compact (UNGC) human rights and labor principles, the UN Guiding Principles on Business and Human Rights (UNGP) the International Labor Organization (ILO), while fully complying with the laws of the countries in which it operates.
- SONGWON Industrial Group respects the diversity of its executives, employees and stakeholders, and does not discriminate based on nationality, region of origin, race, gender, age, culture, religion, disability, education, political orientation, or personal preference when hiring or promoting.

## Our Target & Goals

### Labor Relations:

Criteria	2018 Base year	2030 Target	2040 Target	2050 Target
Management and employee joint councils or meetings to discuss labor and human rights issues <sup>14</sup>	4	4	4	4

14) The work council holds regular labor-management meetings every three months.

Unit: No.

### Child and Forced Labor:

Criteria	2018 Base year	2030 Target	2040 Target	2050 Target
Cases of child/forced labor <sup>15</sup>	0	0	0	0

15) This data includes all suppliers and has been researched. SONGWON only has contracts with suppliers that comply with child labor laws.

Unit: No.

### Career & Training Management:

Criteria	2023 Base year	2030 Target	2040 Target	2050 Target
Training hours / employee <sup>16</sup>	38	40	45	50

16) The topics covered include the prevention of gender discrimination and promotion of disability awareness.

Unit: hr

### Working Conditions (Korea Specific):

Criteria	2023 Base year	2030 Target	2040 Target	2050 Target
Direct employees <sup>17</sup> covered by a living wage benchmarking analysis <sup>18</sup>	100	100	100	100
Direct employees paid below living wage <sup>18</sup>	0	0	0	0
All employees paid below living wage, including direct employees, individual contractors and dispatched workers <sup>18+19</sup>	0	0	0	0
Average wage gap for direct employees paid below living wage against a living wage benchmark <sup>18</sup>	0	0	0	0

17) Direct employees include full-time employees and laboratory interns directly employed by SONGWON.

Unit: %

18) Data boundaries: Only applicable for SWDM-KR Ulsan, Maeam, Suwon plant, Seoul, Busan offices

19) When SONGWON makes a contract with a subcontractor, the letter of agreement incl. compliance matters related to local laws relevant to the living wage, labor standards and industrial health & safety etc., to ensure that the subcontractor complies with the applicable laws. And in case of dispatched workers, there are no dispatched workers at SONGWON in Korea.

### Compliance:

Criteria	2018 Base year	2030 Target	2040 Target	2050 Target
Ethics and integrity <sup>20</sup>	0	0	0	0
Discrimination and harassment <sup>20</sup>	0	0	0	0
Human rights <sup>20+21</sup>	0	0	0	0
Bribery and corruption <sup>20</sup>	0	0	0	0
Anti-competitive practice <sup>20</sup>	0	0	0	0
Environmental laws/regulations <sup>20</sup>	0	0	0	0
Corporate values <sup>20</sup>	0	0	0	0
Equal opportunities <sup>20</sup>	0	0	0	0
Fair trading <sup>20</sup>	0	0	0	0
Money laundering <sup>20</sup>	0	0	0	0
Gifts and favors <sup>20</sup>	0	0	0	0
Expenses and claims <sup>20</sup>	0	0	0	0
Intellectual property rights <sup>20</sup>	0	0	0	0
Alcohol, controlled substances and weapons <sup>20</sup>	0	0	0	0

<sup>20</sup>) These are the monitoring results for violations of the above indicators.

Unit: No.

<sup>21</sup>) This indicator includes all stakeholders\* of value chains.

\*This refers to all stakeholders in the supply chain, including company workers, suppliers, partners, consumers, and local communities.

### Personal information protection:

Criteria	2023 Base year	2030 Target	2040 Target	2050 Target
All employees who completed personal information protection training	100	100	100	100
Personal information protection incident	0	0	0	0
Personal information handling manager authority review adequacy GAP <sup>22</sup>	0	0	0	0

<sup>22</sup>) Follows ICFR (Internal Control over Financial Reporting)

Unit: %

As a global company committed to fulfilling its social responsibilities and pursuing sustainable growth through ESG management, SONGWON Industrial Group is dedicated to and taking the lead to comply with the applicable Labor & Human Rights Policy.



Byungsoo Boo  
CSEO

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