

SIMMTECH
CODE OF CONDUCT

SIMMTECH Co., Ltd.

CHAPTER 1 GENERAL RULE Article

1 (Purpose) This regulation is made to set Simmtech(hereinafter referred to as the "Company")'s compliance requirements and general management system necessary for running HR policies to protect and respect the basic human rights of the employees through the process of manufacturing the products and services according to the company's social responsibilities and HR policies.

Article 2 (SCOPE) This regulation applies not only to the Company but also to the first-tier subcontractors, provided that they agree to and implement it accordingly.

CHAPTER 2

CONTENTS OF HR POLICIES ACCORDING TO THE COMPANY'S SOCIAL RESPONSIBILITIES

Article 3 (Freely Chosen Employment)

- ① Company shall not employ the compulsory employees or bonded workers, workers under fixed-term contracts with forced termination, or involuntary prison laborers.
- ② All labor shall be voluntary, and workers may resign with reasonable notice.
- ③ Company shall not require handover of the government-issued ID cards, passports or work permits as a condition of employment.
- ④ Workers shall not be required to pay recruitment fees under any circumstances.
- ⑤ Unless there are security issues or special restrictions, the Company guarantees that workers may freely enter and leave the Company or dormitories during non-working hours.

Article 4 (Banning of Child Labor Exploitation)

- ① Company shall not employ child workers at any stage of production. The term "child" refers to an employee who is under 15 years old (or 14 years old based on national law), below the age in which compulsory education is completed, or under the minimum employment age set by the government government.
- ② As for the learning program of the workplaces, Company shall comply with all applicable rules and regulations. Workers under 18 years old shall not perform any hazardous work which could jeopardize their health or safety.
- ③ Company shall ensure that individuals confirmed for employment submit their ID cards and that their ages are above the legal minimum employment age before making a contract.
- ④ In case the workers who are under the minimum age for employment by law are accepted or employed by the company, their employment shall be terminated, their legal guardians shall be notified, and the workers shall be returned to their guardians. However, if an agreement is obtained from their legal guardians or employment authorization is granted by the Minister of Employment and Labor, the Company may consider continuing their employment
- ⑤ Company shall not use any separate type of contracts with the purposes of internship, field.

learning, or any kind of education or training not based on the specific employment contracts. However, probationary periods and the working conditions during the period are allowed as exceptional.

Article 5 (Working Hours) Company shall not exceed the maximum working hours set by local law.

Article 6 (Wages and Benefits)

① Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours, and legally mandated benefits.

② Workers shall be compensated for overtime at pay rates greater than regular hourly rates.

③ Deductions from wages as a disciplinary measure shall not be permitted, and workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.

Article 7 (Humane Treatment)

① Company shall clearly define disciplinary policies and procedures and communicate them to the relevant workers.

② There shall be no harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse of workers; nor shall there be any threat of such treatment.

③ Company shall not set any unreasonable limit on the workers for their freedom on the basic needs for living (toilet use, water drinking, medical clinic visit, etc.,).

Article 8 (Non-discrimination)

① There shall be no harassment or unlawful discrimination against workers.

② Company shall not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity or expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training

③ Company shall not misuse the results of workers' or potential workers' medical tests or physical examination.

Article 9 (Freedom of Association)

① Company shall guarantee an open and direct communication between the workers and the management to share the problems and compensations related to workplaces.

② Workers shall be able to freely communicate with management regarding working conditions without any fear of discrimination, reprisal, intimidation or harassment.

③ Company shall respect the right of all workers to form and join trade unions of their own choosing, and grant them the freedom to join the labor union, selecting the representative, and

participating in the union councils.

④ Company shall respect the workers' freedom of independent assembly, and not support the funds or control, engage, or intervene the labor union to make it under control.

CHAPTER 3

Management System of Human Resources Policy based on Company's Social Responsibilities

Article 10 (Management System)

Company shall construct and manage the system to control the related requirements of this regulation systematically.

Article 11 (Identification of the laws and customer's requirements)

① Company shall identify the customer's requirements on the social responsibilities of the company and monitor the related domestic laws for any revisions on a regular basis.

② Personnel in charge of the Human Resources department shall monitor revisions of domestic laws, legislative administrative notices, instructions, established rules, and notices related to relevant duties through the government (Ministry of Employment and Labor), unions of users (federations of managers), professional information providers related to HR and labor (Central Economic Company), advisory law firms, advisory labor corporations, or any additional press releases, and report the relevant information to the HR manager and related management.

③ The HR department shall designate a person in charge to monitor the revisions of the related laws through checking Ministry of Employment and Labor(www.moel.go.kr > Law Info > Recent Revised Laws)and let the person monitor and report so that it can be applied and complied with in the right time.

④ The HR department shall designate a person in charge of Audit, let the person receive the company's social responsibilities and customer's requirements from the departments which coordinate with the customers like Sales, CS, QA teams, report and review them, and implement the requirements accordingly.

Article 12 (Risk Evaluation and Management)

① Company shall establish a process to identify human rights, labor practices, and ethical risks associated with its business operations. Through this process, the Company shall determine the relative significance of each risk, implement appropriate procedures and physical controls to manage identified risks, and regularly verify compliance with relevant standards.

② Due diligence on human rights and labor practices shall be conducted systematically through the following processes:

a. **(Identification and Assessment of Human Rights Risks):** Company shall evaluate and improve the impact of its business activities on labor and human rights through regular self-assessments and on-site inspections such as those conducted by the Responsible Business Alliance (RBA).

b. **(Risk Mitigation and Improvement):** Company shall implement specific measures to prevent and mitigate key human rights risks identified through the assessment such as policy and procedure improvements, training, and the incorporation of relevant clauses into contracts.

c.**(Monitoring Progress):** Company shall continuously monitor the implementation status and effectiveness of human rights due diligence and preventive/mitigative actions, and shall seek additional improvement measures as necessary.

Article 13 (Compliance Management of Suppliers) Company shall request the suppliers to make a written document for compliance with the requirements related to the company's social responsibilities, monitor the actual implementation through self-evaluation on a regular basis, and, if required, shall be able to request them to submit the relevant materials for direct/indirect audits, improvement establishment and implementation.

Article 14 (Responsibility and Authority) Company shall appoint senior HR management as the person in charge to guarantee the implementation of the programs for the systematic management and control of the HR policies in compliance with the company's social responsibilities. The HR management shall monitor the state of affairs and establish and implement the improvement targets at least once a year.

② The HR team manager shall be responsible for the accomplishment of HR policies related to the company's social responsibilities and shall lead HR personnel in related duties.

③ The training team manager shall operate annual training scheduling and implementation for employees to ensure a good understanding of HR policies and the general HR system based on the company's social responsibilities.

④ Each department manager shall implement team training for members on social responsibility in place of the company.

⑤ Personnel in charge of employment, training, evaluation, compensation in HR shall take the primary responsibility for the implementation of related laws and customer's requirements in compliance with HR policies based on social responsibilities.

⑥ Employees shall be able to understand the relevant HR policy matters based on social responsibilities and suggest opinions on them.

Article 15 (Continuous Improvement)

Company shall stimulate the implementation and improvement of this regulation.

Article 16 (Document Control)

All documents related to this regulation shall be kept for three years. However, if any document is required to be stored for a longer period according to domestic labor law, the regulation shall comply with such requirements.

CHAPTER 4

Management System of Ethics Policy based on Company's Social Responsibility

Article 17 (Management System)

Company shall assume social responsibility and comply with ethical standards to ensure successful business operations.

Article 18 (Integrity)

① Company shall maintain the highest level of integrity in its relationships with all business partners.

② Company shall enforce a zero-tolerance policy against all forms of bribery, corruption, and unfair advantage.

③ All businesses shall be made as transparent. Company shall make a correct application on the fiscal report and affair register, and also implement monitoring for anti-bribery compliance.

Article 19 (Banning of Unfair Advantage)

Company shall not promise, offer, or provide bribes or other improper or unfair advantages, nor shall it allow or accept such provisions.

Article 20 (Release of Information)

Company information shall be open according to the laws and general industrial customs regarding labor, environmental safety, environment, management activity. It shall not allow any forged or insufficient record.

Article 21 (Intellectual Property Right)

Intellectual property rights shall be respected. The transfer of technologies and know-how shall be conducted in a manner that protects intellectual property rights, and the Company shall safeguard customers' information.. Company shall identify the customer's intellectual property rights on the stage of procurement, and make non-disclosure agreement on sales contract stage so that customer's information should be safely protected and guarantee the confidentiality.

Article 22 (Fair Trade, Advertisement, Competition) Company shall take proper actions to comply with the fair trade, advertisement, and competition standards, and to protect the customer's information. Company shall make a fair trade and competition, and ban any collusion with rivalry companies in the same field.

Additional Rule

This regulation shall be implemented from February 1, 2019.

This regulation shall be implemented from January 1, 2025.