

SK Networks Supplier Code of Conduct

The SK Networks Supplier Code of Conduct seeks to assist important business suppliers of SK Networks in ensuring business sustainability through corporate growth and social responsibility management based on this Code of Conduct. All SK Networks suppliers are advised to faithfully implement and comply with this Code of Conduct.

[Labor and Human Rights]

1. Voluntary Labor

The Suppliers must not use forced labor or sweated labor against workers' will. Also, for the recruitment of workers, employment contracts shall be prepared for in languages they can understand. Workers shall not be restricted to move around outside working hours and they should be able to resign from work freely if they wish to.

2. Prohibition of Child Labor

The Suppliers are prohibited from hiring children. While it is possible to hire adolescents above 18 years of age, which is higher than the minimum age legally allowed for admission to employment,* they should not be assigned to perform tasks harmful to their safety and health (including overtime and night shifts).

3. Working Hours

The Suppliers should not have workers work beyond the maximum work hours stipulated by laws and regulations, and shall follow regulations on work breaks and holidays.

4. Wage and Benefits

The Suppliers shall comply with laws related to wages and pay the legal minimum wage, overtime compensation, legally required benefits, etc. as required by law.

5. Humanitarian Treatment of Workers

The Suppliers shall respect workers' human rights and shall not exercise inhumane treatment including sexual harassment, violence, coercion, and verbal abuse. The Suppliers should clearly establish and implement a disciplinary procedure in this regard.

6. No Discrimination

The Suppliers should not discriminate workers in hiring, compensation, promotion, training opportunities, etc. based on race, age, gender, disability, etc.

7. Freedom of Association

In accordance with local laws and regulations, the Suppliers should guarantee their workers freedom to organize labor unions or join a labor union to protect their individual and group interests.

[Safety/Health]

1. Industrial Safety

The Suppliers shall identify risk factors beforehand and take preventive measures to remove those risk factors to promote the health and safety of executives and working level employees. For this, the Suppliers should establish a risk assessment and management system and conduct safety training and drill sessions.

2. Prevention of Industrial Accidents and Diseases

In order to prevent industrial accidents and their recurrence, the Suppliers should establish and run procedures and systems to support accident prevention, reporting, treatment/management, follow-up and return to workplace. The Suppliers should conduct regular safety inspections of all machinery and facilities and install protection devices, protective barriers, etc. for workers' safety, as necessary. Also, regular safety & health training sessions should be available to workers.

3. Workplace Emergency Response

The Suppliers should define emergencies that may occur in the workplace and establish response procedures for each emergency. Regular training and drills should be carried out for workers to become skilled in the established response procedures that are subject to continuous improvement.

4. Communication on Health & Safety

The Suppliers should provide their workers with adequate workplace safety and health information and education in relation to possible hazards at the workplace in their mother language or languages that can be understood by them.

5. Workplace Environment

The Suppliers should regularly measure harmful elements including hazardous chemicals, particles, and noises to which workers may be exposed and mobilize various control measures so that they are not exposed to such elements beyond the allowable level.

6. Work Overload Management

The Suppliers should improve workplace environment, implement job rotation and give enough work breaks to prevent injuries or musculoskeletal diseases that may happen to workers who handle heavy weight materials, work for long hours or are assigned to do repetitive work or work that uses up a lot of energy.

7. Management of Staff Facilities

The Suppliers should provide safe and clean facilities. If the workplace has dining areas, dormitory and bathrooms, they should be kept clean and safe. Also, all workplaces should be adequately equipped with emergency exits, cooling/heating facilities as well as ventilation facilities.

[Environmental Protection]

1. Compliance with Environment Related Laws and Regulations

The Suppliers should obtain and maintain latest, legally required environmental certifications and comply with the obligations for operation and reporting.

2. Energy Consumption and Greenhouse Gas Emission

The Suppliers should track and document energy consumption and greenhouse gas emission to reduce corporate influence on the environment. The Suppliers should also seek to find measures that will lead to energy efficiency improvement as well as minimized energy consumption and greenhouse gas emission.

3. Hazardous Material Management

The Suppliers should identify all hazardous chemicals they handle and build/manage a safety management system for safe purchase, use and disposal of related materials.

4. Air Pollution Control

The Suppliers should monitor and control materials generated from industrial process that cause air pollution including volatile organic compounds, aerosols, corrosives, particles, ozone-depleting substances and combustion byproducts. These materials should be treated adequately according to relevant laws and regulations before discharge and continued monitoring should be performed for pollution reduction or prevention.

5. Environment Pollution Protection and Resources Saving

The Suppliers should treat all wastewater and waste materials generated from their business activities according to the relevant laws and regulations before discharge. The Suppliers should reduce the emission of wastewater and waste materials by improving processes that cause environmental pollution, raw material recycling, etc.

6. Solid Waste

The Suppliers should identify and control solid waste to reduce the amount of generated solid waste.

[Ethics and Fair Trade]

1. Eradication of Unfair Practices

The Suppliers should maintain integrity in their business activities.

- The Suppliers should not be involved in any kind of unlawful acts to accept bribes, make payments to authorities or offer gifts in addition to offering cash or other benefits for sales and other purposes.
- The Suppliers should put autonomous anti-corruption compliance into practice by making efforts to monitor and regulate unlawful acts.
- All transactions should be made transparent and subject to recording and management in compliance with the accounting act.
- No unfair practices should be exercised upon the Suppliers using a superior position.
- No concerted action of price increases, market division or output control should be taken in an aim to avoid competition.

2. Information Disclosure

The Suppliers should truthfully disclose their corporate information including business achievements, and financial status pursuant to relevant laws and regulations.

3. Intellectual Property Protection

The Suppliers should respect intellectual property rights and safely protect the information acquired in the process of transactions with SK Networks.

4. Fair Trade Compliance

The Suppliers should comply with laws and regulations concerning fair trade. The Suppliers are banned from offering or accepting any means to take profits through unfair or inappropriate business transactions.

5. Identity Protection and Retaliation Prohibition

The Suppliers should guarantee an environment in which workers can freely and efficiently submit complaints and inconveniences without a threat of retaliation or blackmailing.

6. Personal Information Protection

The Suppliers should comply with the Personal Information Protection act when handling (storage, processing, transmission and sharing) personal information of all stakeholders (including executives, working level employees, supplier companies, clients and general consumers) who are related with business activities.

[Management System]

1. Corporate Willingness for Compliance

The Suppliers should prepare a statement expressing their willingness to comply with corporate social responsibility, acquire the management's approval and display the statement at relevant workplaces in the local language.

2. Obligations and Responsibility of the Management

The Suppliers should establish systems and regulations for labor & human rights, safety & health, environment, and ethics. Next, appropriate management should be selected to be in charge of such systems and regulations. The management should carry out regular inspections for the operation of the management system.

3. Guideline Posting and Training

The Suppliers should have education and training programs ready so that workers can view, understand and comply with this Guideline easily.

4. Feedback and Counseling

The Suppliers should have appropriate procedures in place to collect feedback from employees regarding standards and conditions applicable to this Guideline and bring improvements in response to the feedback.

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