



협력사 행동 규범

Supplier Code of Conduct

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Responsible Department	(Primary) Sourcing Team (Secondary) Communication Team, Legal Team, Human Resource Team, General Affairs Team, Business Improvement Team



Supplier Code of Conduct

F&F Holdings Co. (F&F Holdings, hereinafter referred to as the "Company") has enacted "F&F Holdings Supplier Code of Conduct (hereinafter referred to as the "Code")" to establish a sustainable supply chain and specifies that all subcontractors dealing with the Company and its affiliates must comply with social and environmental standards and take responsibility for their products and services, as well as their business process related to the Company.

Company's subcontractors are required to create safe workplaces, observe workers' human rights, continually strive to protect the environment and operate the company ethically, and all subcontractors must comply with these rules.

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1. Human rights and labor

Subcontractors must protect workers' human rights and ensure their dignity at internationally accepted standards. These are applied to all types of workers, including permanent employees as well as temporary workers, migrant workers, trainees, and contingent workers. Workers also must be guaranteed legal work and protection of their rights under local laws and regulations.

① Voluntary labor

Subcontractors must not use forced, exploitative, or involuntary labor, and all work must be voluntary. Do not require workers to surrender government-issued identification, passport, work visa, etc. as a condition of employment. (except where required by law)

Subcontractors must also document and deliver working conditions to workers in a language they can understand, and subcontractors must not require workers to pay any fees incurred at the time of hire.

② Child workers

Subcontractors must not employ "child" workers in the manufacturing process. The standard of age of a child takes into account the age at which compulsory education ends under the ILO Agreement and the



minimum age for employment under local law. In addition, workers under the age of 18 must not be allowed to perform hazardous work, including overtime, night shifts, etc.

③ Work hours

Subcontractors must comply with local and regional labor laws regarding working hours and overtime and may not require workers to work beyond the regular and overtime hours permitted by such laws.

④ Preventing unfair dismissal

The supplier will objectively and reasonably evaluate all employees based on their work results and shall not give unfair termination notices based on an employee's personal characteristics such as race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership, nationality, marital status, or medical condition.

⑤ Wage and benefit

Subcontractors must comply with all applicable wage laws, including minimum wages, statutory benefits, and other considerations paid to the workers, and must provide the basis for payment of employees' wages through labor contracts and pay stubs in accordance with certain standards set forth by local laws and regulations. Local law requires that workers be compensated for overtime at a rate higher than their regular hourly rate. Furthermore, information about wages and benefits must be accurate and provided in writing in a language that workers can understand, or in electronic documents as required by law.

⑥ Humane treatment

Subcontractors must treat all workers with respect and ensure that workers are not subjected to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, verbal abuse, or unreasonable restrictions at work. To this end, subcontractors must clearly define, implement, and communicate to workers about reasonable disciplinary procedures.

⑦ No discrimination

Subcontractors must base their employment practices such as promotions, compensation, and provision of education/training opportunities on worker's abilities and not on unlawful discrimination based on personal characteristics such as race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership, nationality, marital status, or medical condition. Subcontractors shall not require workers or job candidates to undergo medical examinations that could be used as a basis for discrimination unless required by local law or workplace safety.

⑧ Freedom of labor movements

Subcontractors must recognize the right of employees to freely associate in lawful and peaceful forms, in compliance with the ILO Agreement and local laws governing employees' labor rights. All employees are guaranteed the right to legally establish, join, and take action in organizations, and the Company shall respect collective bargaining with organizations. Workers and worker representatives must be able to communicate openly with management about working conditions without fear of reprisal, intimidation, or harassment.



2. Health and safety

Subcontractors should recognize that designing a safe process/work environment and ensuring the safety and security of workers is essential for maintaining continuous quality and increasing production efficiency and should strive to establish a safe and healthy work environment in accordance with local laws and regulations.

① Industrial safety

Subcontractors must proactively eliminate physical hazards and risks to take precautions to prevent accidents and occupational diseases. These hazards must be controlled through design, engineering, and administrative controls, preventive maintenance, safe work procedures, and ongoing safety training. Ongoing safety training includes emergency response procedures, equipment usage, and process/job-specific safety instructions. If hazards cannot be sufficiently controlled by these means, workers must be provided with appropriate and well-maintained personal protective equipment.

② Emergency preparedness

Subcontractors must identify potential emergencies, such as natural disasters, national emergencies, and man-made disasters, in advance and have a response system in place. Subcontractors should establish emergency response procedures, including reports and notifications, evacuation procedures, and recovery plans, and minimize damage caused by emergencies through regular education and training for workers. Also, subcontractors should prepare for immediate response in the event of an emergency by securing adequate escape facilities and fire detection and extinguishing equipment.

③ Occupational injuries and illnesses

Subcontractors must establish procedures and systems to prevent, manage, track, and report occupational injuries and diseases. This must include provisions to encourage employee reporting of physical abnormalities, triage and record cases of injury and illness, provide necessary medical treatment, investigate cases, and take corrective action to eliminate the cause and facilitate the return of employees to work.

④ Workplace hygiene

Subcontractors must identify, assess, and manage employee exposure to chemical, biological, and physical hazards. Technical and administrative controls must be used to prevent workers from being overexposed to these hazards. If the hazards cannot be adequately controlled using these means, workers must be provided with appropriate personal protective equipment.

⑤ Physical overwork

Subcontractors should identify, assess, and control workers' exposure to the hazards of physical labor. These physical labors include manual labor, heavy lifting, or repetitive lifting of materials, standing for long periods of time, and repetitive or strenuous assembly tasks that need a lot of energy from workers. It is recommended to implement process improvements or rotation/stretching to prevent workers from developing musculoskeletal disorders.

⑥ Keeping machinery safe



Subcontractors must assess the safety risks of production facilities or other equipment. They shall provide physical safeguards, safety devices, barriers, and maintenance in case the equipment poses a risk of injury to employees. Subcontractors must also ensure the reliability of the equipment through regular maintenance and repair.

⑦ Hygiene, food, and housing

Subcontractors must provide employees with clean restrooms and drinking water, sanitary food preparation, storage, and dining facilities. Also, dormitories for workers must be kept clean and safe, and they need to provide a suitable environment with adequate emergency exits, heating, ventilation, adequate personal space, and reasonable access authorities.

⑧ Health and safety training

Subcontractors must provide appropriate health and safety training to their workers. Also, health and safety-related information must be posted in conspicuous places in the workplace.

3. Environmental protection

Subcontractors are required to do their best to minimize negative impacts on the environment and local communities in their manufacturing process. They must comply with environmental laws and regulations, including chemical and waste management and disposal, recycling, industrial water management and reuse, and control of greenhouse gases and air emissions. They must also comply with environmental standards that the Company requires for product design, production, etc. as required by other agreements.

① Environmental licensing and reporting

Subcontractors are required to obtain and maintain required environmental licenses (e.g., emission/installation of prevention facility/operation/declare changes) and keep current with recent amendments. Also, they must comply with operational and reporting requirements required by the permitting process.

② Prevent pollution and reduce resource usage

Subcontractors are expected to reduce sources of pollution, including wastewater and waste, and increase the efficiency of natural resources, such as water, by using methods like optimizing production/maintenance processes and facilities, substituting raw materials, and recycling and reusing materials.

③ Hazardous substances

Subcontractors must comply with environmental and quality management standards, identify compounds or other substances that pose a safety risk if released into the environment, and manage safe handling, movement, storage, use, recycling, reuse, and disposal of these substances. They must also comply with local laws and regulations that prohibit or regulate the use or handling of certain substances.

④ Solid waste and wastewater

Subcontractors shall identify, monitor, control, and treat solid waste and wastewater generated from industrial processes and sanitation facilities in their operations prior to discharge, as required by applicable



laws and regulations, and shall take measures to reduce the generation of solid waste and wastewater. Subcontractors shall also always monitor the treatment efficiency of wastewater treatment processes.

⑤ Air pollution

Subcontractors must characterize, monitor, and control volatile organic compounds, aerosols, corrosives, fine powders, ozone-depleting substances, and combustion by-products generated in the manufacturing process, if required by applicable laws and regulations, before discharging them, and manage/treat them in accordance with local laws and regulations.

⑥ Product content regulation and proper labeling

Subcontractors must comply with applicable laws and regulations regarding bans or restrictions on certain materials, including recycling and disposal labeling.

⑦ Stormwater management

Subcontractors must systematically prevent stormwater pollution. They should also prevent pollutants from entering storm sewers from illegal discharges and chemical spills.

⑧ Energy consumption and greenhouse gas emissions

In a phased approach, subcontractors should identify energy consumption and greenhouse gas emissions at the enterprise and site levels. They should also find and apply cost-effective ways to increase energy efficiency while minimizing energy consumption and greenhouse gas emissions.

⑨ Biodiversity

Subcontractors shall contribute to the maintenance of an adequate ecosystem population by eliminating the causes of significant biodiversity loss or degradation in areas related to their operations, including their sites. Where there is a risk of significant biodiversity loss or degradation, they shall take active measures to halt the loss or degradation in cooperation with countries, intergovernmental organizations, the non-governmental sector, and local communities. They shall also monitor and comply with regulations related to biodiversity in the areas where they purchase and produce raw materials.

⑩ Forest conservation (palm oil and derivatives)

Subcontractors must not convert natural forests and natural ecosystems or peatlands of high conservation value to agriculture, plantations, or other land uses, or to any conversions that involve significant deforestation or serious destruction by humans and must work toward the long-term protection and conservation of natural forests and ecosystems. They shall comply with local laws regarding land rights, the use of natural resources, and the rights of indigenous peoples and local communities.

4. Business ethics

Subcontractors must comply with local laws and regulations in their business operations.

① Business integrity

Subcontractors must maintain the highest standards of integrity in their business relationships with all



companies. They must not engage in any form of corruption, extortion, embezzlement, bribery, kickbacks, gifts, or other illegal behavior, including giving money or any other form of advantage to a related party for the purpose of influencing decision-making.

② Financial transparency

In all of the business and transactions, subcontractors must conduct commercial dealings transparently and keep accurate records. They should also regularly provide transparent financial information to the shareholders and other stakeholders and take steps to ensure that the supplier's business is not used to transact money for criminal activity. All financial information will not be used to support internal trading.

③ Fairtrade

Subcontractors must comply with fair trade laws in the countries in which they operate and must not use their dominant market position to engage in unfair conduct that violates business ethics, such as cartels or anti-competitive practices. Also, illegal acquisition of information about competitors, slander of competitors, and acceptance of money or entertainment are prohibited.

④ Mutual growth

Subcontractors shall actively participate in mutual growth activities to foster a healthy business ecosystem. Subcontractors should also make every effort to promote a sustainable business ecosystem by establishing mutual growth programs and policies for their own subcontractors.

⑤ Conflicts of interest

Subcontractors are expected to avoid any conduct or relationship that puts their personal interests in conflict with the Company's interests in negotiating contracts or performing obligations. If subcontractors have an interest that could affect the judgment and behavior (for example, if a family member or relative works for or has a business interest in a competitor, vendor, or supplier), the supplier must report it to the Company for appropriate review.

⑥ Information disclosure

Subcontractors are required to record and disclose information about their business activities, performance, and financial structure in accordance with applicable laws, regulations, and industry practices on disclosure of information. Falsification or misrepresentation of records of the facts and practices in relevant areas within the supply chain is unacceptable.

⑦ Protecting intellectual property

Subcontractors must respect intellectual property rights and ensure that the transfer of technology and know-how is done in a way that protects those rights. Also, they must do their best to protect the Company's corporate information and intellectual property.

⑧ Protecting personal information

Subcontractors must acquire and retain only the minimum amount of information relevant to their business operations and provide a reasonable level of protection for the personal information of everyone involved in the business operations (including partners, customers, consumers, and employees). They must comply



with the Personal Information Protection Act when storing, processing, transferring, and sharing personal information.

[Effective date]

This regulation is effective starting from June 14, 2023.

[Inquiries and complaints]

The Company encourages you to report inquiries and complaints about the matters set forth in these guidelines to our cyber website handling complaints. All reports will be handled fairly and in accordance with strict procedures. Reporters may make confidential or anonymous reports and are protected from unjustified retaliation.