

HL Mando

Code of Conduct

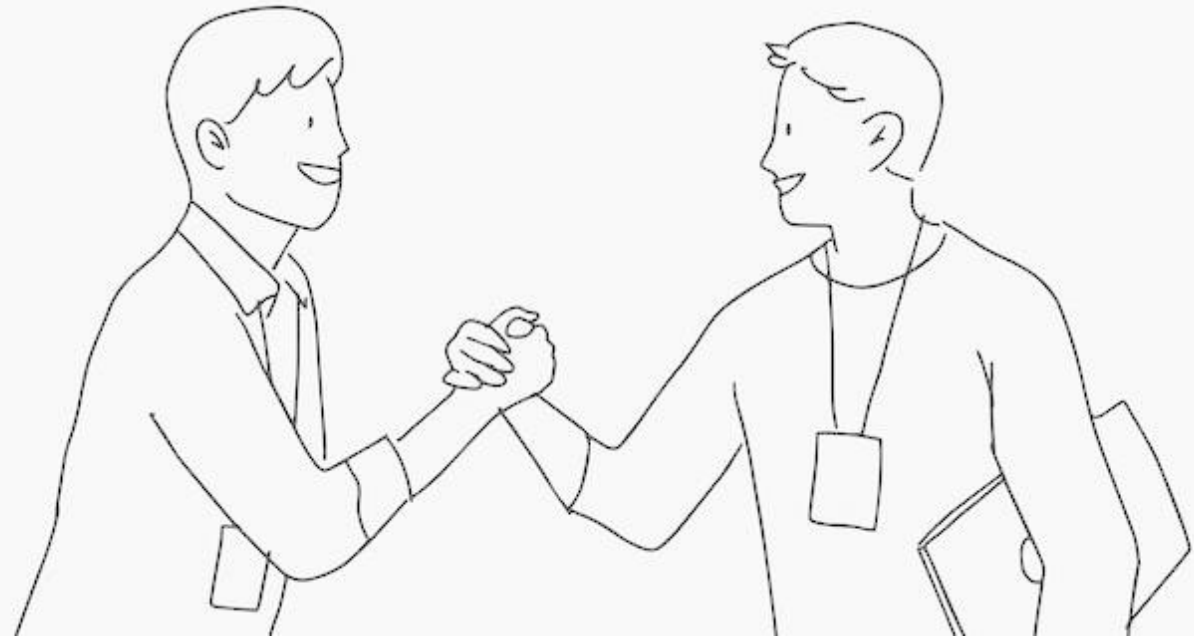


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CEO Message

Dear Colleagues,

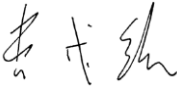
Over the past few years, HL Mando has achieved remarkable growth. We have provided differentiated products and technologies to our customers, established a better workplace and organizational culture for our employees, and provided better value to our stakeholders, including the shareholders.

We were able to accomplish such achievements because we have faithfully practiced 'Integrity Management', our founding philosophy and core value, as HL Mando's top priority. 'Integrity Management' refers to management principles that require one to be faithful to the basics and principles, compete fairly based on transparent and correct decision-making, and fulfill social responsibilities and obligations.

HL Mando has implemented various compliance activities in order to practice Integrity Management. To establish it as our work culture, we have enacted the Code of Conduct with the aim of providing it as a work guide for making wise and correct decisions in specific situations.

This Code of Conduct will provide desirable behavioral guidelines for making wise decisions in accordance with HL Mando's core values when something difficult to decide happens in the course of performing one's duties. Accordingly, all members of HL Mando are requested to not only thoroughly read and understand the Code of Conduct but also comply with it and fulfill their ethical and social responsibilities.

Honest, ethical and transparent management is an important future asset for HL Mando. HL Mando's future growth also depends on the implementation of this Code of Conduct. In order for HL Mando to have a competitive edge and achieve sustainable growth, we ask for your responsible actions and active cooperation.

CEO HL Mando Corp. Seong-Hyeon Cho 



Introduction

The Purpose of the Code

HL Mando is committed to fulfilling its ethical responsibilities to become more trustworthy and sustainable company on the basis of trust and cooperation of our stakeholders. To this end, HL Mando establishes this document Code of Conduct as the standard outlining professional standards expected of all company workers and representatives in all management activities.

This Code of Conduct is established based on the Global Automotive Sustainability Practice Guidance of 'Drive Sustainability', and we referred to the 10 principles of the 'UN Global Compact', the Code of Conduct of the 'OECD Guideline', and 'the Responsible Business Alliance'.

Scope of Application

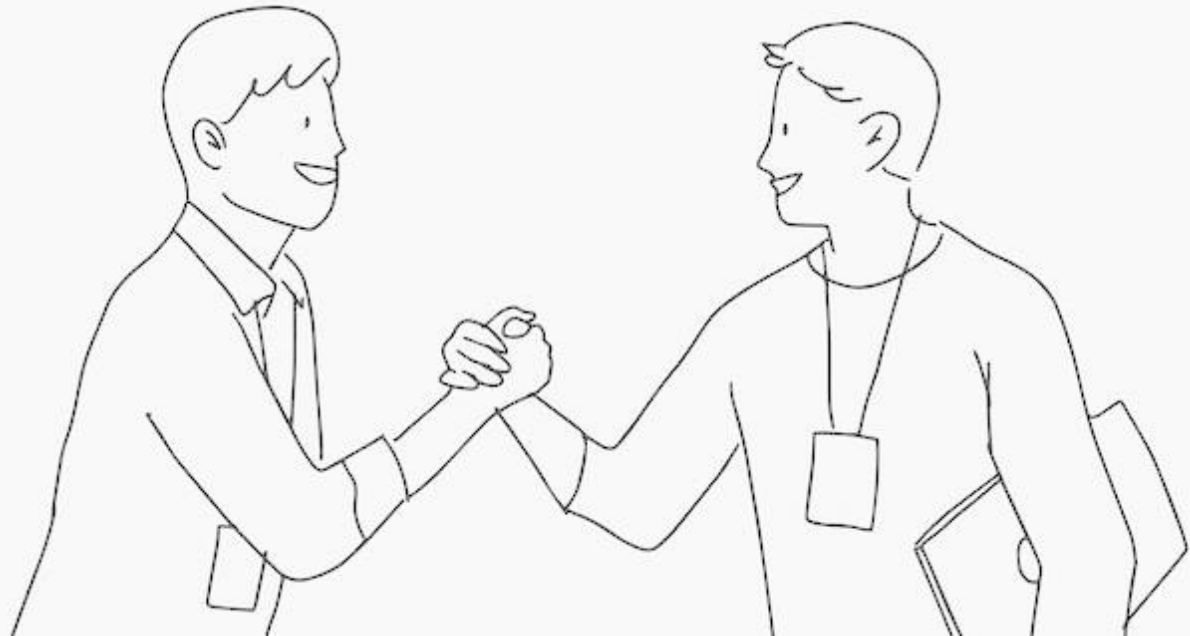
This Code of Conduct applies to all affiliates, including domestic and foreign production corporations, sales corporations, subsidiaries, and joint ventures, in HL Mando. HL Mando's employees must act in accordance with this Code of Conduct in all transactions with suppliers. Furthermore, all employees should encourage all stakeholders in our business relationship to respect this Code of Conduct. All employees subject to this Code of Conduct must comply with the laws and regulations of the local nation and, at the same time, perform their duties in accordance with this Code of Conduct. If the actions recommended in this Code of Conduct conflict with local laws or if employees are facing difficulties in judging inappropriate behavior, employees should contact legal team and seek for consultation.

Management Organization

This Code of Conduct is managed and operated through Global HR Planning. If this Code of Conduct needs to be amended, the Global HR Planning will notify the amendment internally and will also disclose the amended Code of Conduct on HL Mando's website.

I . Working Conditions and Human Rights

HL Mando makes continuous efforts to abide by national and regional labor law as well as customer requirements and to accord with all labor principles ratified by the nations and recommended Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and International Labor Organization (ILO).



1. Working Environment

Humane Treatment

In accordance with the International Labor Organization's international standards and the UN Universal Declaration of Human Rights (UDHR), employees should respect the human rights of suppliers, customers, and colleagues directly related to the operation, products, and services of the company and are responsible for not harming them.

Wages and Benefits

In compliance with local laws and system, HL Mando pays wages to employees and employees are provided with wage statements so that they can check the details of compensation for their work.

In addition, HL Mando provides an autonomous and pleasant working environment to employees and operates a welfare program to improve the quality of employees' life.

Working Hours

HL Mando complies with the local laws regarding maximum working hours and breaks, and guarantees employees at least once a week for holidays. In addition, HL Mando avoids overtime works to balance the lives and works of employees.



2. Respecting Human Rights

Forced or Compulsory Labor and Human Trafficking

HL Mando does not tolerate any forms of slavery, including forced labor and human trafficking, based on the local labor laws. Employees are free to leave work or terminate their employment at any time if reasonable notice is given as per worker's contract.



Child Labor and Young Workers

HL Mando complies with the minimum age of employment in the country when hiring workers. HL Mando respects children's rights to personal development and education, and prohibits child labor at all stages of work.

Forbidden Harassment

HL Mando protects all employees from harassing other employees by taking advantage of their status and relationships beyond the appropriate scope of their work. Harassments includes verbal or physical behaviors that cause discomfort, such as sexual harassment, sexual abuse, violence, and abusive language. All employees should work hard to create a mutually respectable and reliable working environment.

Non-Discrimination

HL Mando respects the various backgrounds and values of its employees and provides fair opportunities. We do not discriminate against employees on the grounds of nationality, race, gender, religion, political opinion, and social status. Employees should not be treated in unfair discrimination in working conditions such as wages and benefits.

3. Freedom of Association and Collective Bargaining

In conformance with local law, HL Mando guarantees the freedom of association and collective bargaining of employees. All employees have the right to represent their interests through freedom of association and elected representatives. HL Mando and its employees must faithfully engage in bargaining matters during collective bargaining.

4. Political Neutrality

HL Mando will observe neutrality with regard to political parties and candidates for public office. Employees are free to have personal political views, but they do not make illegal political or charitable contributions using company funds or in the company's name and do not engage in political activities during work hours and while at work.

5. Health and Safety

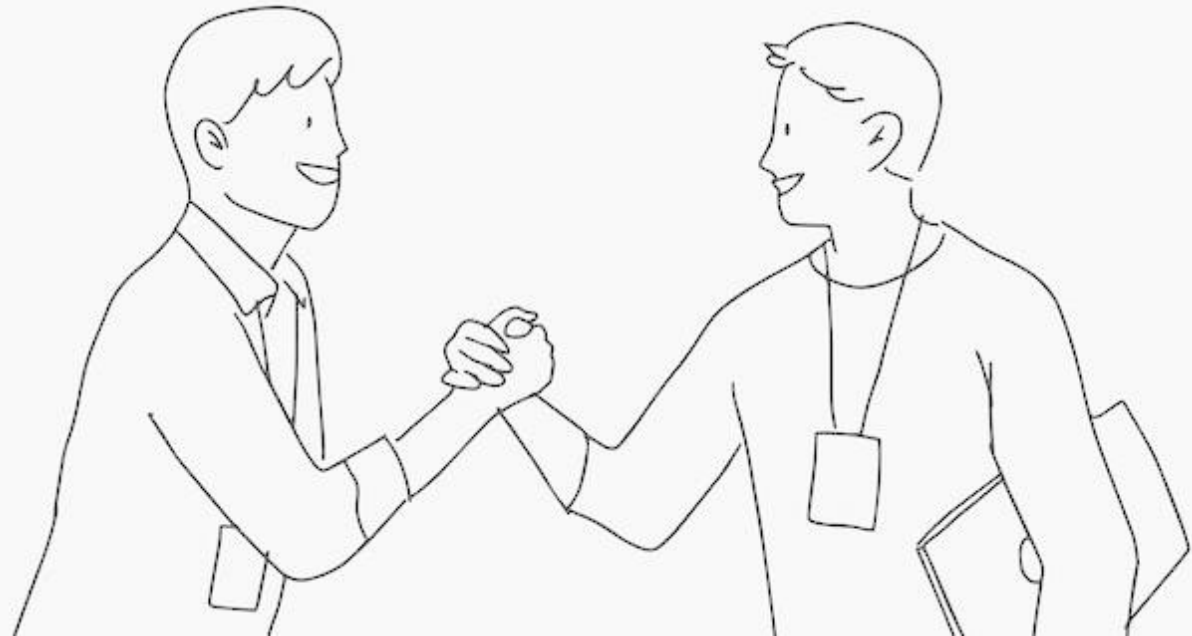
HL Mando appoints safety and health managers for each workplace and operates safety and health management systems and education programs to protect employees from natural disasters, diseases, and accidents.

Safety and health officials and related employees should regularly check the safety of machinery, facilities, and equipment for the safety of the workplace, and take immediate action if any abnormalities are found. Employees are obligated to wear safety protective equipment required on their workplace. In addition, employees should immediately contact the safety management officer if they find a condition of concern about a safety accident.



II. Business Ethics

HL Mando complies with the basics and principles, shares 'HL's Integrity' core value to fulfill social responsibility based on transparent and appropriate decisions, and strives to spread the right code of conduct to the company.



1. Fair Competition and Transaction

Corruption, Extortion, and Bribery

HL Mando opposes illegal activities such as corruption and bribery and does not allow them. HL Mando also operates a counseling and reporting center to prevent corruption. Employees shall not give, demand, or accept bribes, money, or other luxurious gifts to obtain or retain business opportunities.

Taxation

HL Mando recognizes tax obligations to fulfill cooperate social responsibility and complies with the country's tax laws.

HL Mando fulfills its tax filings and tax obligations in accordance with the laws of each country, and will faithfully cooperate if the tax authorities request an investigation or request related information.

Fair Competition and Anti-trust

HL Mando complies with the law of fair competition as defined by applicable and does not allow acts that may hinder fair competition by abusing market dominance and trading status. Also, HL Mando treats its partners and customers fairly and sincerely.

Employees comply with the market competition order and should not engage in collusion that restricts competition through illegal pricing, production adjustment, and business information exchange.

When investigation authorities request for investigation and related data, employees should respond as quickly and completely as possible and actively cooperate with the investigation. Employees must contact the legal department immediately and seek advice from the legal department in all response processes if they receive data requests from the investigation authorities or if an investigation by the investigation authorities is initiated.

Export Control and Economic Sanctions

HL Mando complies with export-related laws that regulate the movement of products and technologies across borders. Employees are not allowed to trade with countries and individuals that prohibit trade. In addition, employees must thoroughly manage documents related to import and export, such as documents proving the country of origin, in accordance with the regulations.

If HL Mando's products and technologies cannot be delivered to a specific country, the person in charge must review and consult with the import and export-related department.

2. Transparency

Financial Responsibility and Prevention of Money Laundering

Accounting employees must accurately prepare accounting records and manage them transparently according to IFRS (International Financial Reporting Standards).

Money laundering is a criminal act such as tax evasion and is subject to international obligations under the Anti-Money Laundering Laws of individual countries. HL Mando does not facilitate or support money laundering, and HL Mando's suppliers must also comply with legal regulations related to the prevention of money laundering.

HL Mando should continuously review and monitor suspicious transactions.

Documentation and Recording

HL Mando employees must fill out the contents accurately and not falsely in all documents.

Also, the method of approval, preservation, and disposal of documents must comply with internal regulations.

Disclosure of Information

HL Mando must transparently disclose financial and non-financial information such as corporate activities, financial status, performance, ownership, and governance in accordance with relevant laws and regulations. In addition, if the government, customer companies, investors, etc. request disclosure of information, HL Mando must disclose the information to the extent that confidential information is not leaked.



HL Mando Code of Conduct

3. Protection of Company Information and Assets

Protection of Personal Information

HL Mando complies with the laws and regulations related to personal information and information security when personal information of stakeholders is collected, stored, processed, transmitted, and shared. HL Mando does not engage in illegal infringement of customer personal information and does not use it differently from the purpose of collection or provide it to third parties. In the event of personal information infringement, measures should be taken to prevent further damage and promptly notify the owner of the data the data subject of the infringement.

Information Security and Intellectual Property

HL Mando must manage HL Mando's information and intellectual property rights, as well as confidential information and intellectual property rights of stakeholders acquired during the business activities according to strict standards. This includes trade secrets, information that require security, and intellectual property rights of customers and partners. HL Mando prohibits employees from leaking information obtained through job performance or using it for personal benefit, and such obligations apply even after retirement. In addition, HL Mando must use intellectual property rights of a third party in compliance with the terms of the use with the consent of the owner.

HL Mando's assets include tangible and intangible assets such as products, facilities, equipment, and vehicles. All employees must use the company's assets only for business purposes and are prohibited from using, stealing, or damaging them for the benefit of individuals and third parties.



4. Conflict of Interest

In the event of a conflict of interests between the company and its employees, employees should conduct business activities considering the interests of the company and customers as a top priority. HL Mando strictly prohibits transactions with relatives and the act of generating individual profits of employees using the company's assets and information.

5. Protection of Identity and Non-retaliation

HL Mando does not disclose the identity of reporters and informants in operating various grievance handling and reporting systems for internal and external stakeholders. This is to prevent secondary damage such as retaliation, discrimination, and disadvantages of the reporter. In addition, HL Mando should do its best to take measures to protect the informant as required.

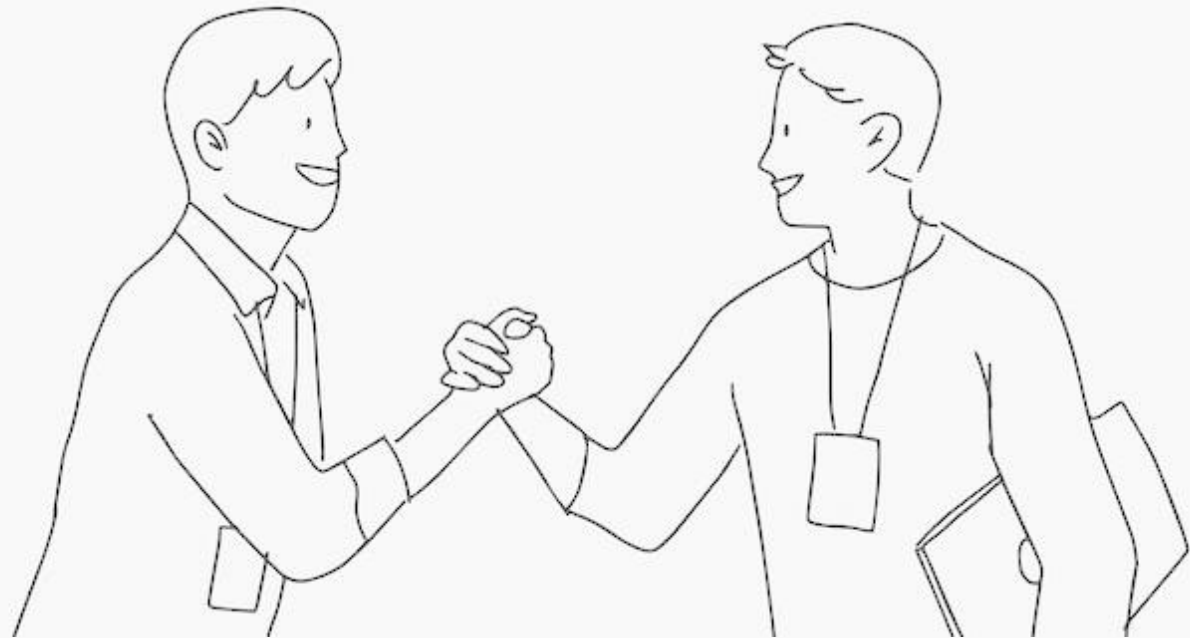
6. Counterfeit Parts

HL Mando strictly complies with quality and safety standards to supply the best safe products and prohibits the use of unauthorized or forged raw materials or parts. In addition, HL Mando continuously carries out monitoring activities for the production and distribution of raw materials and parts.



III. Environment

HL Mando complies with environmental laws and international standards and recognizes that environmental issues are essential management requirements. HL Mando strives to reduce the impact on the environment in all business lifecycle through eco-friendly technology development and active preventive measures.



1. Response to Climate Change

Energy Consumption and Greenhouse Gas Emissions

System should be constructed to measure and disclose energy consumption and greenhouse gas emissions to contribute to the global efforts to respond to climate change. In addition, HL Mando strive to improve energy efficiency and minimize greenhouse gas emissions.

Resource Reduction and Waste Management

In order to establish a sustainable resource virtuous circle system, we should establish a waste management system considering waste reduction, reuse, recycling, etc., and try to minimize waste and residual product generation during the product life cycle. In addition, all waste should be treated in a way suitable for protecting the health and safety of the natural environment, employees, and local communities through minimizing buried and incinerated wastes and expanding reused of wastes.

Development and Diffusion of Eco-friendly Technologies

HL Mando strives to develop eco-friendly product materials to reduce the environmental impact throughout the design, production, distribution, use and disposal of products. In addition, HL Mando will make efforts to expand eco-friendly technologies and products to minimize environmental impact with HL Mando's technology through continuous research and development.



2. Management of Environmental Impact

Water Management

Establish a management system that can measure the use and discharge of water sources and control pollution routes. Efforts should be made to manage the water quality of all discharged wastewater and reduce water use, and to protect water resources.

Water pollutants discharged must be managed according to regulation or more stringent internal standards, and regular inspections to be made to ensure that the performance of treatment facilities in the business establishment is optimally maintained.

Air Quality

Various types of organic compounds produced in the process are systematically managed by establishing an atmospheric emission control system.

All air pollutants generated must be monitored and treated regularly and managed according to regulation or more stringent internal standards to reduce air pollutants.

Hazardous Chemical Management

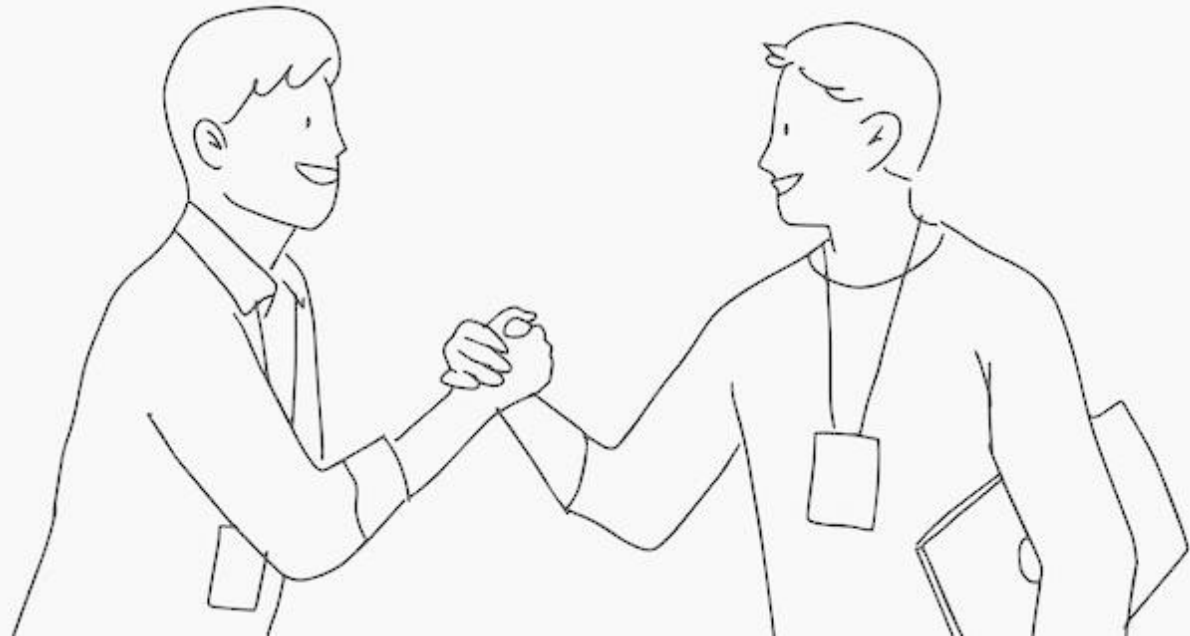
HL Mando inspects inclusion of hazardous chemicals in raw materials and parts, and systematically manages all information related to manufacturing, importing, using, transporting, and storing of chemicals or materials containing chemicals so that they can be safely managed. In addition, in order to minimize the environmental impact, activities to convert hazardous chemicals into unrestricted substances should be continuously promoted. Moreover, HL Mando handles hazardous chemicals in an appropriate way, implements responsive measures in the event of a hazardous chemical leak to prevent accidents, provides material safety data (MSDS), and trains the persons in charge.

Material data for parts and products are collected through IMDS, an automotive industry material management system, and material information is managed by reviewing, registering, and approving materials to ensure that materials are used in compliance with country's laws and regulations.



IV. Supply Chain

HL Mando strives to build a sustainable supply chain by minimizing supply chain risks at all stages of the supply chain, including quality, delivery, technology, safety, and environment, and in the mutual growth relationship with the suppliers.



1. Supply Chain Management

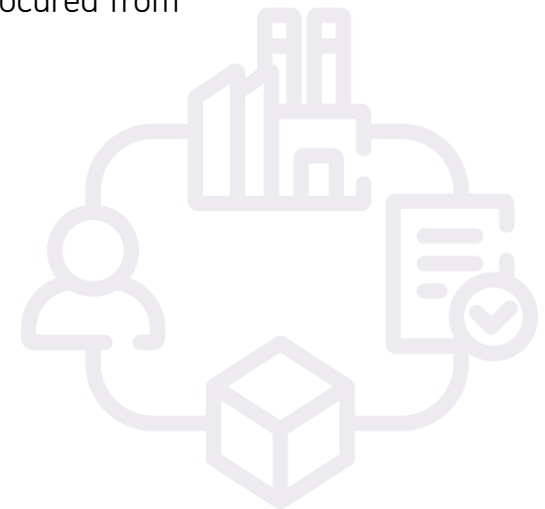
Supplier Management

HL Mando promotes mutual growth with its suppliers and prohibits unfair transactions. A partnership is established through signing a contract with a supplier, the contract is legally written in accordance with regulations, procedures, related laws, etc., and the contract must include all agreements made by companies that are parties to the contract.

HL Mando recommends its suppliers to comply with laws and regulations to ensure sustainability of the supply chain. Encouragements to suppliers is made to fulfill their social and environmental responsibilities and for managing the growth factors such as climate change, safety, health, labor, and human rights to become healthier companies. HL Mando also encourages suppliers to comply with HL Mando's supply chain management policies and regulations and conducts evaluations. In the event of a supplier that does not meet the set conditions, activities to strengthen the capabilities of the supplier are implemented.

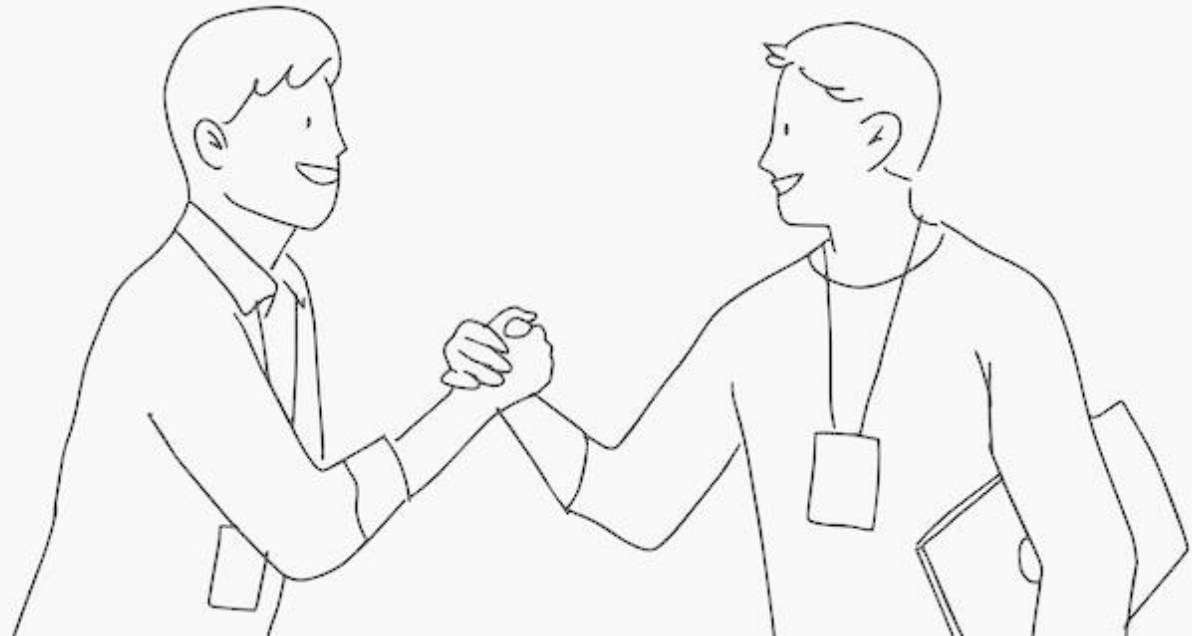
Responsible Sourcing of Raw Materials

Conflict mineral policies should be established and managed to make sure validated conflict free minerals (tin, tantalum, tungsten, gold, etc.) not related to arms funds, human rights violations, and environmental destruction are used through review of the substance and material information on all parts procured from suppliers.



V. Management System

HL Mando operates systematic management system to comply with applicable laws, regulations, customer requirements, and this code of conduct related to corporate operations and products in pursuit of sustainable business management.



1. Legal

In order to advance social and environmental responsibilities and business ethics, HL Mando complies with applicable laws and regulations and all internal policies and principles in all business activities.

Employees must be aware of codes of conduct and work-related laws and faithfully fulfill their obligations. Disciplinary action may be taken if employees violate laws and codes of conduct. If the actions recommended in this Code of Conduct conflict with local laws or if employees are facing difficulties in judging inappropriate behavior, employees should contact legal team and seek for consultation.

2. Training

HL Mando believes that securing excellent talent is a key to enhance the company's and national competitiveness. HL Mando gives equal education and growth opportunities to employees, and regularly provides education required by laws and regulations.

3. Worker Feedback, Participation and Grievance

HL Mando strives to continuously improve the grievance process through receiving feedbacks and violation reporting from employees. If the actions of employees and others violate the Code of Conduct or are perceived as fraudulent, they must immediately report the fact to the Corporate Audit office. The informant's personal information is kept strictly confidential and protected from any disadvantage.

4. Corporate Citizenship

HL Mando is committed to delivering positive impacts for the community and is responsible for the impact of business on society and the environment. Employees should actively participate in social contribution activities for community development and environmental preservation as members of the community.

Thank you for taking the time to read our Code of Conduct.

Information and contact

Global HR Planning Team

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[HL Mando Code of Conduct\(Website\)](#)

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HL Mando

