

	<h1>Code of Ethics</h1>	NO	Teraon-005
		New	2023.01.16
		Change	2024.06.01
		Version	Ver1.1

# Code of Ethics

## Teraon-005

2	2024.06.01	Revision of regulations	j.h.Ban	y.h.Lee	h.s.Choi	y.j.Kim
1	2023.01.16	The enactment of regulations	j.h.Ban	y.h.Lee	-	y.j.Kim
<b>No</b>	<b>Date</b>	<b>Title</b>	<b>Writing</b>	<b>Review</b>	<b>Review</b>	<b>Approval</b>

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## Introduction(Preface)

**TERAON Co., Ltd. practices corporate management with SKMS as its cornerstone to create value for its stakeholders such as the customers, members, shareholders, and business partners, seeking to play a key role in social and economic development and to contribute to the happiness of mankind. To this end, the code of ethics is enacted and used as the standard for decisions and actions in all management activities.**

**This Code of Ethics targets all members (including contract workers, dispatched workers, and part-time workers) of TERAON Co., Ltd. and domestic and foreign corporations and branches, subsidiaries, and investment companies. Stakeholders who have business relations with the company are also encouraged to comply with this Code of Ethics.**

## Ch.1 Code toward customers

### 1. Customer respect

- 1) We treat our customers with a faithful and sincere attitude, respect the diverse opinions of our customers, and actively reflect them in our management activities.
- 2) We provide truthful and accurate information to the customer, and respond promptly and accurately to the legitimate needs of the customer.
- 3) Customer information is kept confidential and we do not leak information or use it for other purposes without prior approval of the customer.

### 2. Creation of customer value

- 1) We provide customers with reasonable prices and top quality products and services through innovation and creativity, and gain trust by continuing to satisfy the customers.
- 2) We recognize that the customer's development is our development and constantly strive to find the value that our customers need.

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## Ch. 2 Responsibility toward members

### 1. Respect for members

- 1) We treat each member as an independent person with mutual trust and true affection.
- 2) We will do our best to create a working environment to improve the quality of life for our members.
- 3) We take appropriate measures to ensure the health and safety of members. In particular, separate safety measures will be prepared for workplaces with risk factors.
- 4) Unless it interferes with the work atmosphere and good moral, we guarantee personal privacy of members.
- 5) We do not force specified religious or political activities, and respect the individual's religious and political will.

### 2. Fair treatment

- 1) We shall not discriminate on the basis of race, nationality, age, gender, schooling, area of origin, disability, or marital status in employment, promotion, job transition, training and compensation.
- 2) We establish an evaluation criteria for qualities, abilities, achievements, etc., and evaluate fairly so as to encourage self-development of members and ensure fair compensation.

### 3. Promoting creativity

- 1) We actively support the development of members' abilities and cultivate people with a long-term perspective.
- 2) We create the necessary system and atmosphere for members to freely express ideas or difficulty in a situation and make suggestions.
- 3) We prevent inappropriate discrimination, harassment, sexual harassment, bodily or mental coercion inside the company, and provide procedures for the protection and relief of

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victims in the event of an incident.

## Ch. 3 Basic ethics of members

### 1. Basic Ethics

- 1) We take pride as a member and work diligently in the given position to represent the company.
- 2) We perform our duties in a fair manner in accordance with all related laws, company policies and regulations.
- 3) We increase efficiency of work by active cooperation and healthy communication between peers and related departments.
- 4) We understand the company's vision and actively and continuously strive to secure the necessary competencies to achieve them.

### 2. Duties executed fairly

- 1) We clearly distinguish public and private matters, and also carry out duties with transparency and fairness.
- 2) We record and report all information in a timely and accurate manner.
- 3) We do not receive or request anything that may interfere with the fairness of judgment in relation to our duties.
- 4) We will not use the property of the company for the benefit of the individual and will protect the confidentiality and information assets of the company acquired in the business.
- 5) We avoid any act or relationship that conflicts with the interests of the company and the individual.
- 6) We do our job properly in our given position and fulfill the duty of care as a good manager.

### 3. Creating a healthy corporate culture

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- 1) We establish a corporate culture where there is enthusiasm, selfmotivation, and mutual respect between members.
- 2) Holding high ethical values, we always strive to maintain the dignity of the individual and the honor of the company.

## **Ch. 4 Responsibility toward shareholders**

### **1. Creation of shareholder value**

- 1) We raise corporate value by sustaining growth as a healthy company through rational business development and efficient management, to creat shareholder value.
- 2) We respect the shareholders' right to know and legitimate demands and suggestions, and actively reflect them on the company's management activities.

### **2. Protection of shareholder interests**

- 1) We protect the interests of the shareholders by preparing data on the overall management in accordance with all laws and standards and by disclosing related information in accordance with the laws.
- 2) Members do not infringe on the interests of shareholders by leaking internal information or using undisclosed internal information of the company to make unjust stock trading gains.

## **Ch. 5 Relationship with business partners**

### **1. Pursuit of free competition**

- 1) According to the principle of free competition, we respect the order of market economy in all parts of the world, and secure customer trust through the quality of goods and services.
- 2) We compete fairly with honest talent, not unduly violating the interests of competitors or

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abusing their weaknesses.

- 3) We acquire all information of competitors in a legitimate way that is not subject to social criticism and use it properly.
- 4) All activities to secure competitive advantage should be carried out in compliance with the Fair Trade Act, and if there is a risk of violation, we immediately notify the relevant department.

## 2. Compliance with laws

- 1) All business activities in Korea and abroad shall be carried out in accordance with the laws and regulations of the respective countries and in respect to the customs of the trade.
- 2) In particular, we must understand and comply with the following laws and regulations for the prevention of unfair domestic and foreign competition.
  - 「Laws related to prohibition of unethical offers of money and gifts」
  - 「Laws and regulations related to anti-bribery and anti-corruption」  
(Foreign Bribery Transaction Prevention Act)

## 3. Equal Opportunity

- 1) Equal opportunities are given for all companies that satisfy the specific qualifications to register and participate as a partner company.
- 2) Registration and selection of partner company shall be carried out in a reasonable manner in accordance with objective and fair examination standards.

## 4. Fair Transaction Procedures

- 1) All transactions with partner companies shall be fair, mutually equal, adhere to the agreed terms of trade, and reflect opinions for the improvement and innovation of transactions, as appropriate to the business.
- 2) When dealing with a partner company, we comply with the Fair Trade Act and do not engage in any form of unfair trade practice using superior business position.
- 3) When using the technology or assets of a partner company, we must obtain the approval of

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the company, and information shall not be leaked to the outside without approval on documentation.

## 5. Pursuing mutual growth

- 1) Through technical support and management guidance, we actively support the long-term cooperation of partner companies so that they can grow in competitiveness and pursue mutual benefits and common growth.
- 2) We will make mutual efforts with our partner companies to create a clean trade climate and maintain fair trade order.

## Ch. 6 Role in society

### 1. Social Contribution Activities

- 1) Along with contribution to economic development, we contribute to society through social and cultural activities.
- 2) We adhere to the laws and social norms of the regions where the business operates, and respect the traditions and cultures of local communities.
- 3) We do not conduct improper acts such as providing illegal political subsidies or bribes for unfair advantage in the course of business development.

### 2. Eco-Friendly Management

- 1) We comply with all laws and regulations related to environmental protection, and pursue business activities that aid global warming prevention, energy conservation, resource protection and other activities to protect the environment.
- 2) We secure and operate pollution control facilities and necessary personnel to prevent environmental pollution.
- 3) We try our best to protect the environment and safety of the community and take measures to prevent damage from accidents or disasters.

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### 3. Human Rights Management

- 1) We comply with international human rights and labor standards and practice human rights management with the basic value of guaranteeing human dignity.
- 2) Establish policies to protect human rights and strive to create a happy workplace for all members.
- 3) We strive to protect the human rights of all stakeholders throughout the business value chain, including not only members, but also customers, business partners, and local communities.

### Addendum

1. This Code of Conduct will be enforced on January 16, 2023.
2. This Code of Conduct will be enforced on June 1, 2024.
3. Violations of this code shall be handled according to the regulations.
4. A separate 'Code of Ethics Practice Guidelines' will be operated so that the members can can correctly understand and execute the code of ethics.