

# HMM Supplier Code of Conduct



In an effort to establish a sustainable supply chain, HMM operates a partner support program to ensure partner companies comply with the international regulations and laws for all goods and services. Supply chain code of conduct is one of many efforts of HMM to ensure Partner Company to adopt to the potential climate risks and establish an adequate mitigation plan, protect fundamental basics of human rights, and promote diversity within business demographics. These core values are integral in promoting sustainable business arena and an efficient workspace. Therefore, the same standards that HMM applies to its own business is presented to all the supply chain for the betterment of the society, business and individuals.

HMM intends to share the values of climate risk management, protection of human rights, promotion of health and safety, pursuant of environmental protection, and conform to high level of ethical standards, which are all the values that HMM internalizes in the field of ESG. HMM believes in the importance of supplier compliance in the same matter of which HMM is in compliance of. Thus, the following articles must be followed to minimize ESG risks within the global supply chain and promote sustainable growth (shared growth) throughout the business. Under any conditions by which the supplier or a partner company cause a violation of clause enlisted below, there may apply to any future business transaction.

## **1. Human Rights and Labor**

### **1) Compliance with Working Hours**

Besides an emergency situation, weekly working hours shall not exceed the maximum hours prescribed by the laws of the relevant country. In case where exceeding the aforementioned hourly standards are inevitable, proper compensation methodology must be established before the occurrence of the excessive working hours to guarantee the employee's fundamental rights.

### **2) Compensation and Benefits**

Suppliers shall comply with all laws related to compensation, including minimum wage, overtime pay and other legal standards that is prescribed under the category of compensation and benefits.

### **3) Prohibition of Child Labor and Management of Young Workers**

Suppliers are prohibited from employing children. The term 'children' is defined as persons younger than 15 years old\* or those younger than the minimum age of employment defined by the local laws. In the case of on-site practical training programs, they shall not engage in work considered as dangerous to their health, safety in accordance with the laws and regulations.

\*15 years old: Defined under the International Labor Organization (ILO) Convention No. 138

### **4) Prohibition of Discrimination**

Actions not limited to hiring, paying, promoting, calculating bonuses, providing training opportunities, etc. shall not be executed based on a discriminatory standards, segregating specific race, skin color, age, sex, sexual orientation, gender identity, ethnic origin, disability, pregnancy, religion, political orientation or marital status.

5) Promotion of Diversity in Workplace

Suppliers and the associated partners must recognize the importance of achieving equity in the workplace so that all employees are treated fairly and are provided the opportunity to achieve their full potential. The implementation of special measures and the accommodation of differences to correct conditions of disadvantage in employment, may be required for: women, people from different background, persons with disabilities and members of visible minorities, and etc. In addition to this, under the premise that this specific clause is also targeting people who has their own beliefs, norms or self-identification that is not in any way categorized as anti-society or against any legislation, must be respected and not be used as a disadvantage against them.

6) Prohibition of Forced Labor

Suppliers are prohibited from using or tolerating, in any form whatsoever, slavery, forced or indentured labor, bondage, human trafficking or involuntary labor. There must be an insurance that employees are not subject to inhuman or degrading treatment, not limited to actions associated with corporal punishment, and etc.

7) Protection of Freedom of Association and Right to Collective Bargaining

Suppliers respect the freedom of association and the formation of interest groups and defend the rights of their employees in their business segments. They also respect the right of workers to freely choose their own representatives and to negotiate collectively.

## **2. Health and Safety**

1) Systemization of Industrial Safety Management

To prevent workers' exposure to safety risks (electric shock, fire, fall hazards, crush and impact hazards), suppliers shall implement process designs, technological/administrative controls, facility safety inspections, work processes and safety training.

2) Prevention of Industrial Accidents and Disease within Workplace

Suppliers shall maintain systems to prevent industrial accidents and occupational disease and to protect against recurrence.

3) Reporting Obligations of Health and Safety Accidents

Suppliers have an obligation to report any accidents, whether or not it has caused any fatal casualties, relating to health and safety of their workers.

**3. Environmental Protection**

- 1) Prevention of Environmental Pollution  
Suppliers shall make efforts, in accordance with local laws and regulations, to reduce and eliminate all forms of waste by improving production processes, replacing raw materials, recycling and reusing resources, and etc.
  
- 2) Energy, Greenhouse gas Reduction and Use of Sustainable Products  
Suppliers shall make efforts to reduce energy consumption and minimize greenhouse gas emissions by improving energy efficiency, and they shall make efforts to use and/or produce sustainable products.
  
- 3) Management of Harmful Substances and Waste  
Suppliers shall identify the properties of harmful substances and waste, dispose of them after processing according to the relevant laws, and make efforts to reduce the amounts produced.

**4. Ethical Management**

- 1) **Transparent Management and Prohibition on Illicit Gains**  
To maintain the highest standards of integrity in all business relationships, all forms of corruption, including illicit gifts and bribes, are strictly prohibited, and suppliers shall comply with all legal standards related to anti-corruption. Furthermore, anonymity is guaranteed to whistleblowers.
  
- 2) **Protection of intellectual property**  
Technological/commercial materials, information and intellectual property acquired in doing business with HMM may not be shared with third parties without prior consent.
  
- 3) **Data Protection**  
Suppliers comply with all applicable laws for the protection of personal data, particularly of employees, business partners and customers.

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We agree to fully acquaint and comply with the HMM Code of Conduct for a partner company.

[ ]date [ ]month [ ]year

Company Name :

Representative Director : (Singature or stamp)

TO HMM Co., Ltd.