

Hyosung Advanced Materials Corp.

Child Labor Prohibition Guidelines



HR Team

Established : 2024. 04. 08

01. Purpose

This document outlines detailed policies aimed at prohibiting child labor and protecting the rights of children in all areas of Hyosung Advanced Materials Corp. (hereinafter "HAMC") activities. HAMC does not tolerate any form of child labor, and all supply chain partners and stakeholders must adhere to this policy. In cases of non-compliance, the company takes immediate corrective action and actively participates in protecting children's rights

02. Definitions

- 1) Child: Refers to all individuals who are not legally adults, typically meaning individuals under the age of 18 in most countries.
- 2) Child Labor: Refers to any work performed by individuals under the age of 18 that is legally prohibited and encompasses all forms of work that interfere with or damage their formal education, which they are entitled to receive.

03. Scope

This policy applies to all employees, contractors, suppliers, and any other stakeholders of the company.

04. Detailed Guidelines

1) Prohibition and Compliance Requirements

HAMC strictly prohibits the employment of children to prevent child labor in all areas of its operations. Additionally, any form of child labor, including forced labor and unfair labor practices, is strictly prohibited. All employees are required to adhere strictly to the prohibition of child labor. If any suspicion or evidence of child labor arises, HAMC will promptly investigate and take appropriate actions in compliance with relevant laws and regulations. Furthermore, HAMC enhances collaboration with suppliers and partners to prevent child labor within the supply chain.

2) Compliance with Laws and Regulations

HAMC strictly adheres to relevant laws and regulations prohibiting child labor and continuously monitors any changes in such laws and regulations. Prompt measures are taken in response to these changes.

3) Reporting and Feedback

HAMC maintains transparency regarding incidents and activities related to child labor and shares corrective measures with stakeholders. Feedback received from third-party organizations, including external oversight agencies, is actively embraced, and improvements are identified and implemented accordingly.

4) Revision and Enhancement

This policy may be amended or improved as needed to align with new laws and regulations, industry standards, and societal expectations. The company ensures that all employees are informed of such changes and are required to comply with them.

05. Procedures for Preventing Child Labor

1) Establishment of Policies and Regulations

HAMC establishes policies and regulations aimed at preventing child labor. This policy should be communicated to all employees and stakeholders.

2) Prevention of Child Labor in the Recruitment Process

(1) Age Verification: To verify the age of all applicants or recruited employees, the company requests documents such as resident registration certificates or identification cards related to age. Through these documents, the age is confirmed. It is essential to thoroughly review the authenticity of the documents provided regarding age, and all submitted documents are checked for compliance with the minimum requirements of proof documents according to local regulations.

(2) Interview Process: During the recruitment process, questions regarding child labor are included to confirm the age and eligibility of applicants for employment.

3) Human Resources Management and Education

(1) Employee Training: It is required to provide education on the prohibition of child labor to all employees. In particular, recruitment officers or managers are educated to understand and implement policies regarding the prevention of child labor effectively.

(2) Regular Refresher Training: Regular education on the policy and procedures for the prohibition of child labor is provided to employees to maintain awareness and compliance

4) Monitoring and Auditing

- (1) Internal Auditing and Monitoring: Regular internal audits and monitoring are conducted to ensure compliance with the policy for preventing child labor.
- (2) External Audits: When necessary, independent external audit organizations are engaged to verify compliance with the policy for preventing child labor.

5) Reporting and Action

- (1) Internal Reporting System: Employees have access to an internal reporting system where they can anonymously report cases related to child labor.
- (2) Follow-up Actions: Swift and appropriate actions are taken upon discovery of cases related to child labor, ensuring compliance with relevant laws and regulations.

6) Collaboration with Supply Chains and Suppliers

- (1) Inclusion of Child Labor Prevention Requirements: Contracts with supply chains and suppliers include requirements for child labor prevention.
- (2) Collaboration and Training: Collaboration with supply chains and suppliers is strengthened, and training on child labor prevention is provided

06. Procedure Upon Discovery of Child Labor

In the event of discovering child labor, HAMC adheres to the principle of taking immediate action to terminate the employment relationship and report to the relevant authorities. The following measures are taken to provide the most appropriate child protection program for the affected child's benefit.

1) Identification of Child and Report Reception

- Upon suspicion or receipt of a report regarding child labor, the relevant department or personnel must be notified immediately, and the responsible personnel must take immediate action and initiate an investigation to verify the situation.

2) Investigation and Interview

- Upon confirmation of child labor, the responsible department (such as HR Department or Site Management Department) promptly initiates an investigation and conducts interviews with the child to gather information regarding their identity and working conditions.

3) Medical and Physical Safety Check

- Medical personnel verify the child's physical and mental health status to ensure their physical safety.

4) Termination of Employment Relationship and Protective Measures

- The employment relationship with the child is immediately terminated, and the child is relocated to a safe place for a thorough assessment of their physical and mental health status.

5) Legal Measures and Protective Actions

- Appropriate legal measures are taken in compliance with relevant laws and regulations regarding child labor cases. Protective measures are arranged for the child, and reports are made to relevant protection agencies or authorities.

6) Reporting and Feedback

- Upon completion of the investigation and corrective actions, the outcomes are reported to relevant stakeholders, and feedback is solicited. Lessons learned from the incident are obtained and applied to future prevention and response efforts.

※ Child Protection Measures

- ✓ Ensure to provide re-employment opportunities at the same workplace once the child reaches the legal age, if desired.
- ✓ Collaborate with local authorities and organizations to ensure access to mandatory education and participation in vocational training programs, thus preventing limitations on the child's educational opportunities.
- ✓ Provide adequate support and monitor the process until the child reaches the minimum working age if they agree to participate in recovery programs administered by HAMC