ISB-11000

Code Of Conduct

Type	Date	Effective Date	Approved by	Remarks
Establishment	2026.06.29.	2026.06.29.	CEO	

관 련 사 규	ISB-11001. Modern Slavery and Human Trafficking Policy

CEO Message

Iljin Electric pursues sustainable growth based on ethical and compliance management as well as social responsibility.

This Code of Conduct sets forth the standards and principles that all executives and employees must follow in carrying out their duties. It goes beyond mere compliance with laws and regulations, reflecting how we work and the corporate culture we strive to build together. The Code of Conduct embodies the company's principles and serves as a shared commitment that all executives and employees must uphold.

Anti-corruption, fair competition, privacy protection, respect for human rights, and environmental protection are fundamental principles that must be upheld in all of Iljin Electric's business activities. In addition, responsible supply chain management, ESG management, and whistleblower protection are important standards for fostering a healthy and trustworthy corporate culture. Based on these principles, Iljin Electric will continue to grow as a responsible enterprise.

A company's trust is built not by systems alone, but by the actions of each and every employee. A culture in which the Code of Conduct is naturally embraced and practiced in our everyday work will serve as the foundation for Iljin Electric's competitiveness and sustainable growth.

If you encounter a situation where the appropriate course of action is unclear, do not act on your own and seek guidance before proceeding. Please consult your supervisor or a reporting channel. Our collective commitment to upholding this Code of Conduct will provide the foundation for building a more trusted Iljin Electric.

Sang-seok You,

Chief Executive Officer

Chapter 1. General Provisions

Article 1 (Purpose)

The purpose of this Code of Conduct is to establish the ethical standards and principles of conduct that the Company's executives and employees must observe in the performance of their duties, thereby promoting fair and responsible corporate activities.

Article 2 (Scope of Application)

This Code applies to all executives and employees, regardless of their employment status, including regular, contract, and dispatched workers. It also applies equally to members of the Board of Directors, advisors, and external parties acting on behalf of the Company. Suppliers are subject to a separate ESG Supplier Code of Conduct.

Article 3 (Basic Principles)

The Company conducts all business activities in accordance with the following five principles:

1. **Legal and Ethical Compliance**: Comply with applicable laws and regulations, as well as international standards, in good faith.
2. **Transparency:** Ensure transparency in decision-making processes and the disclosure of financial information.
3. **Integrity**: Maintain zero tolerance for corruption, conflicts of interest, and unfair competition practices.
4. **Responsibility**: Responsibly consider and manage the impact of business activities on stakeholders, the environment, and society.
5. **Inclusivity**: Respect diversity and foster a discrimination-free working environment.

Chapter 2. Compliance with Laws and Regulations and Fair competition

Article 4 (Compliance with Laws and Regulations)

Executives and employees shall strictly comply with all applicable domestic and international laws, regulations, and internal policies related to their work and shall perform their duties in an ethical manner.

Do

- Understand and comply with the laws and regulations applicable to assigned duties.
- Complete compliance training on a regular basis.
- Promptly notify the Legal Department of any legal issues that arise.
- Consult the Legal Department in advance whenever there is uncertainty regarding a legal matter.

Don't

- Do not follow instructions that may result in a violation of laws or regulations, regardless of the reason.
- Do not evade or conceal legal obligations.

Article 5 (Fair Competition)

Executives and employees shall not engage in any conduct that may undermine fair competition or disrupt market order, including collusion with competitors, market allocation, or the exchange of sensitive business information.

Do

- Obtain competitively sensitive information only through publicly available sources, such as media reports and industry publications.
- When participating in industry associations or trade groups, exercise caution to avoid discussing competition-sensitive information.
- Complete fair competition compliance training on a regular basis.
- Immediately report any situation that may involve a violation of fair competition laws.

Don't

- Do not discuss pricing, market allocation, bid rigging, or other anti-competitive matters with competitors.
- Do not exchange sensitive business information with competitors.
- Do not engage in conduct that restricts fair competition in the marketplace.

Red flag

- When a competitor requests the sharing of pricing or bidding-related information.
- When meeting with representatives of competitors outside official business settings.
- When entering into any explicit or implicit agreement regarding market share or customer allocation.

Chapter 3. Anti-Corruption

Article 6 (Prevention of Corruption)

The Company strictly complies with applicable domestic and international anti-corruption laws and regulations, including the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act (FCPA), and the Improper Solicitation and Graft Act of Korea. Executives and employees shall not offer, promise, authorize, request, or accept any form of bribe, either directly or through a third party.

Do

- Record all gifts and entertainment in accordance with Company policy and obtain prior approval where required.
- Exercise heightened caution when conducting business involving government officials.
- Conduct thorough due diligence before engaging agents, consultants, or other third parties.
- Promptly report any suspected illegal or unethical conduct.

Don’t

- Do not offer expensive gifts or excessive entertainment.
- Do not make facilitation payments, regardless of the amount.
- Do not make political contributions or charitable donations on behalf of the Company without prior approval.
- Do not tolerate, facilitate, or ignore any bribery conducted by a third party on behalf of the Company.

Red flag

- Requests for payments of third-party agent fees where the scope of services is unclear.
- Concerns regarding the hiring of relatives of government officials or the selection of affiliated companies through non-competitive procurement processes.
- Requests for payments that deviate from normal business procedures.

Chapter 4. Financial Integrity and Protection of Company Assets

Article 7 (Transparency in Financial Management)

All transactions and financial information shall be accurately recorded and maintained in accordance with applicable laws, regulations, and accounting standards.

Do

- Comply with document retention policies and established business procedures.
- Provide accurate details when submitting expense claims and process them in a timely manner.
- Immediately report any financial irregularities or concerns to the responsible department.

Don't

- Do not falsify, alter, or manipulate financial information or records.
- Do not participate in illegal activities and promptly take appropriate action if any such activity is identified.
- Do not create, maintain, use, or conceal off-the-book funds or assets.
- Do not engage in transactions involving sanctioned countries or parties.

Red flag

- Missing, incomplete, or inconsistent supporting documentation.
- Sudden requests for bank account changes or cash payments.
- Payments routed through tax havens or unusual jurisdictions.
- Labor costs or invoice amounts that are significantly below market rates.

Article 8 (Protection of Company Assets)

All Company assets, including facilities, intellectual property, and data, shall be used solely for legitimate business purposes and safeguarded against loss, leakage, theft, misuse, or damage.

Do

- Use Company assets only for authorized business purposes.
- Immediately report any loss, theft, or misuse of Company assets.

Don't

- Do not use Company equipment, intellectual property, or data for personal gain.
- Do not use confidential information obtained from a previous employer in the course of Company business.

Chapter 5. Information and Privacy Protection

Article 9 (Protection of Confidential Information)

Executives and employees shall not disclose confidential information obtained in the course of their work to external parties or use such information for purposes unrelated to business without a legitimate reason. This obligation shall continue even after termination of employment.

Do

- Share information only with those who have a legitimate business need to know.
- Immediately report the loss or theft of any Company device used for business purposes.
- Exercise caution when handling confidential information in public places.

Don’t

- Do not disclose confidential information or personal data to external parties without proper authorization.
- Do not use personal email accounts to conduct confidential business activities.
- Do not remove Company data using USB drives or other removable storage devices without authorization.

Red flag

- Sending business data to a personal email account.
- Handling confidential information while connected to public Wi-Fi networks.
- Leaving devices unattended while unlocked or losing Company devices.

Article 10 (Privacy Protection)

The Company complies with all applicable domestic and international privacy and data protection laws, regulations, and internationally recognized standards, including the Personal Information Protection Act (PIPA), the California Consumer Privacy Act (CCPA), and the General Data Protection Regulation (GDPR).

Do

- Process personal data lawfully and in accordance with applicable laws and regulations.
- Collect and use only the minimum amount of personal data necessary for business purposes.
- Protect personal data through appropriate safeguards and immediately report any actual or suspected data breach in accordance with internal procedures.
- Respect the rights of data subjects and respond appropriately to related requests.

Don't

- Do not collect, use, or disclose personal data without a lawful basis.
- Do not process or transfer personal data without appropriate security measures.
- Do not retain personal data beyond the applicable retention period.

Chapter 6. Human Rights and Labor

Article 11 (Respect for Human Rights)

The Company respects and supports internationally recognized human rights standards, including the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), and the ILO Core Conventions. The Company is committed to preventing human rights violations throughout its operations and supply chain. This responsibility extends not only to workers, but also to local communities and other stakeholders.

Do

- Conduct human rights training on a regular basis.
- Promptly report any suspected human rights violations.
- Respect the rights of Indigenous Peoples and local communities.

Don't

- Do not engage in, facilitate, or tolerate any form of human rights abuse, including forced labor and child labor.
- Do not exploit or oppress workers through wage exploitation, contract manipulation, restrictions on movement, or any other coercive practices.

Article 12 (Prohibition of Modern Slavery)

The Company prohibits all forms of modern slavery, including forced labor, debt bondage, human trafficking, and child labor, and complies with applicable laws and international standards. Further details are set forth in 「ISB-11001: Modern Slavery and Human Trafficking Policy」.

Chapter 7. Non-Discrimination and Respect for Diversity

Article 13 (Prohibition of Discrimination and Promotion of an Inclusive Workplace Culture)

The Company prohibits discrimination based on gender, age, nationality, race, religion, disability, sexual orientation, gender identity, marital status, political opinion, or any other protected characteristic. The Company is committed to fostering an inclusive work environment where all executives and employees are treated with dignity and respect.

Do

- Treat all colleagues with respect and professionalism.
- Provide fair access to promotion and training opportunities for all employees based on objective criteria.
- Apply fair and objective standards throughout recruitment, evaluation, and promotion processes.
- Promptly report any suspected or actual incidents of discrimination or harassment.

Don’t

- Do not engage in any form of inappropriate conduct, including sexual harassment, workplace bullying, or verbal abuse.
- Do not discriminate in recruitment, evaluation, promotion, or any employment-related decision based on an individual's personal characteristics.
- Do not retaliate against anyone for raising concerns, reporting misconduct, or participating in an investigation.

Chapter 8. Health and Safety

Article 14 (Safe and Healthy Working Environment)

To protect the health and safety of executives and employees, the Company complies with applicable health and safety laws, regulations, and internal policies. All work activities shall be preceded by appropriate risk assessments, and necessary safety measures shall be implemented before work begins.

Do

- Fully understand and comply with applicable safety procedures and guidelines.
- Familiarize yourself with emergency response procedures in advance.
- Immediately report any hazardous conditions, near misses, or workplace incidents.

Don’t

- Do not prioritize work schedules or delivery deadlines over safety.
- Do not perform hazardous work without the required qualifications, authorization, or training.
- Do not perform work while under the influence of alcohol, illegal drugs, or any substance that may impair judgment or performance.
- Do not ignore, bypass, or arbitrarily modify established safety procedures.

Chapter 9. ESG Management

Article 15 (Environmental Protection and Climate Action)

The Company complies with applicable environmental laws and regulations and establishes and implements targets to reduce carbon emissions and manage greenhouse gas emissions.

Do

- Comply with applicable environmental laws, regulations, and the Company's environmental policies.
- Measure, manage, and, where required, disclose greenhouse gas emissions, including Scope 1, Scope 2, and Scope 3 emissions.
- Incorporate waste reduction, recycling, and circular economy principles into business activities.
- Promptly report any environmental concerns or violations to your supervisor and the relevant department.

Don’t

- Do not engage in activities that negatively impact the environment, including the unnecessary waste of resources.

- Do not handle, store, transport, or dispose of hazardous substances in violation of applicable laws or procedures.
- Do not conceal environmental incidents or delay reporting environmental issues.

Article 16 (Conflict Minerals Management)

The Company is committed to responsible supply chain management to ensure that the use of conflict minerals does not contribute to human rights abuses or armed conflict. The Company identifies, assesses, and manages related risks throughout its supply chain.

Article 17 (Biodiversity and Ecosystem Protection)

The Company strives to minimize the impact of its business activities on biodiversity and ecosystems and is committed to protecting the natural environment.

Article 18 (ESG Supply Chain Management)

The Company requires its suppliers to comply with the ESG Supplier Code of Conduct and regularly monitors their compliance. Where significant ESG violations are identified, the Company may restrict, suspend, or terminate business relationships with the relevant supplier.

Chapter 10. Supplier Management

Article 19 (Mutually Beneficial Cooperation)

The selection and evaluation of suppliers shall be conducted fairly based on objective criteria, including technical capability, quality, price, delivery performance, and ESG performance. The Company does not tolerate unfair practices in its dealings with suppliers and is committed to building mutually beneficial and sustainable business relationships.

Article 20 (Supply Chain Due Diligence)

The Company identifies, assesses, and manages human rights, environmental, and governance risks that may arise throughout its supply chain. To this end, the Company conducts supply chain due diligence and human rights due diligence in accordance with applicable laws, regulations, and international standards. Failure to fulfill due diligence obligations may result in legal sanctions, operational disruptions, and reputational damage.

Do

- Include Code of Conduct compliance provisions in contracts with suppliers.
- Conduct ESG due diligence before engaging a new supplier.
- Conduct on-site audits of suppliers identified as high-risk.
- Promote supply chain transparency and regularly report on relevant findings and activities.

Don't

- Do not enter into agreements with new suppliers before completing the required due diligence process.
- Do not ignore, conceal, or fail to address identified warning signs or risks.

Chapter 11. Prevention of Conflicts of Interest

Article 21 (Prevention of Conflicts of Interest)

Executives and employees shall act in the best interests of the Company, its shareholders, and other stakeholders whenever personal interests conflict, or may appear to conflict, with those of the Company. Indirect conflicts of interest arising from family, personal, or business relationships are also prohibited. Any actual, potential, or perceived conflict of interest must be disclosed promptly and managed in accordance with Company procedures.

Do

- Promptly report any actual or potential conflict of interest to your supervisor and the Legal Department.

Don't

- Do not participate in the hiring, evaluation, or supervision of relatives.
- Do not engage in external activities that may conflict with the interests of the Company.
- Do not provide improper preferential treatment to suppliers with whom you have a personal relationship.

Chapter 12. Customer Protection

Article 22 (Customer Protection)

The Company conducts its business based on the trust of its customers, and executives and employees shall provide products and services with honesty, integrity, and accountability. The Company complies with applicable quality and safety standards and protects customers' personal data and confidential business information in accordance with applicable laws, regulations, and internal policies.

Chapter 13. Whistleblowing

Article 23 (Whistleblowing System)

The Company operates a whistleblowing system that enables not only executives and employees, but also suppliers, customers, local communities, and other stakeholders to report misconduct without fear of retaliation or disadvantage. All stakeholders may submit reports through the reporting channel available on the Company's website and, where permitted by applicable law, may do so anonymously.

- **Reporting Center:**
  https://www.iljinelectric.com/report/info
- **Reporting Procedure**

1. **Receipt of Report**
2. **Review**: The reported matter is reviewed, and the need for an investigation and its scope are determined.
3. **Investigation**: Where necessary, a detailed investigation is conducted through a fair, impartial, and independent process.
4. **Closure**: Appropriate actions are taken based on the investigation results, and the whistleblower is informed of the outcome in accordance with applicable procedures.

Article 24 (Whistleblower Protection)

The Company strictly protects the identity of whistleblowers and the information they provide. No individual shall suffer retaliation, discrimination, or any other disadvantage for making a report in good faith.

The same protection applies to any person who cooperates with an investigation by providing statements, evidence, or other assistance related to a report.

Chapter 14. Enforcement

Article 25 (Measures for Violations)

The Company may take one or more of the following measures against any person who violates this Code or applicable laws and regulations, depending on the nature and severity of the violation:

1. Verbal or written warning
2. Personnel actions, including removal from position or reassignment
3. Disciplinary action, including suspension or termination of employment
4. Civil or criminal legal action
5. Reporting the matter to the relevant authorities

Article 26 (Review and Amendment of the Code)

The Company shall periodically review this Code to reflect changes in applicable laws and regulations, business conditions, and evolving ESG standards, and may amend it where necessary. Any amendments shall be communicated to all executives and employees.

Final provision

Article 1 (Effective Date)

· This Code shall take effect on July 1, 2026.