

NOVEMBER 2022



DRB ESG POLICY BOOK



DRB AND DRB AFFILIATES ARE REFERRED TO AS DRB

Contents

Sustainable Management	03
Human Rights Management	05
Health and Safety Management	08
Conflict Minerals Policy	09
Green Management	10
Green Procurement Policy	11
Ethics Charter	12
Sustainable Supply Chain	17
Corporate Social Responsibility	18

Sustainable Management

Daily Life of DRB

Contributes to Sustainable Growth for the Future.

Since establishment in 1945, DRB has pursued sustainable growth based on the company core values and has implemented human rights, ethical, environmental, quality, and social values into the company management.

We have been leading the domestic rubber industry through constant change and innovation ever since the first successful localization of rubber belts in Korea. Evolving from the rubber industry to a future high-tech industry, we are contributing to the development of industries worldwide and improving the quality of human life. As a global company, we will comply with the Ten Principles of the United Nations Global Compact, respect the contents and values of the 7 core subjects pursued by ISO 26000, and engage in management activities as a responsible corporate citizen.

We will help one another to grow and be ready for the future ahead. Moreover, we will fulfill the corporate responsibilities and obligations by coexisting with our business partners, local communities, and environment to achieve sustainable development. We will always contribute to the health and happiness of humanity, minimize negative impacts on the environment, and strive for sustainable growth for all stakeholders and world peace.

Thank you.

Sustainable Management

DRB Sustainable Management Policy

DRB contributes to sustainable growth by fulfilling social responsibilities as a member of the global civil society, providing innovative products and services, and creating economic, social, and environmental values and economic growth.

- Communicates with stakeholders and strives to create social and environmental values as well as economic values.
- Respects the dignity and value of members and partners.
- Complies with business ethics such as laws, international standards, and internal regulations with an honest and fair attitude.
- Strives for continuous improvement in safety, health, energy and environmental management activities.
- Fulfills corporate social responsibilities for sustainable development with business partners and local communities.

Human Rights Management

DRB Statement on Human Rights Management

DRB upholds a responsible attitude towards society based on our core values of honesty, diligence, and trust, and seeks to respect human rights and dignity as basic rights through practical actions.

We support the principles of the Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights (UNGPR), and intend to internalize the Ten Principles of the UN Global Compact through the company's human rights management policy.

We apply the policy to all our affiliates and share it with business partners and customers. Human rights risks management processes will be established and monitored. Furthermore, severe human rights violations will be prioritized as critical material issues of management.

As a company that fulfills corporate social responsibilities and pursues the happiness of all members and stakeholders, we comply with the domestic and international laws in any circumstance, respects and protects human rights, and contributes to the development of the society.

Human Rights Management

DRB Human Rights Policy

1. Respect for Human Rights

- DRB respects the human rights of all stakeholders including all members, business partners, and customers, and strives to prevent any acts that violate or abuse them.
- DRB prohibits verbal, physical, or visual behavior that is offensive to others, including sexual harassment.

2. Respect for Diversity and Anti-Discrimination

- DRB respects diversity and strictly prohibits all discrimination based on race, religion, disability, gender, academic background, age, physical characteristics, country of origin, and political opinion in relation to all business activities.
- DRB provides equal opportunities to all members in recruitment, promotion, training, and compensation, and strives to discourage gender-discriminatory customs and protects female employees' motherhood and work-family balance.

3. Prohibition of Forced Labor

- DRB does not force individuals to work outside of their free will through any kind of mental or physical restraint including slavery, human trafficking, and bonded labor. DRB does not require the transfer of an individual's identity card, passport and work permit as a precondition for employment.

4. Prohibition of Child Labor

- DRB complies with UNICEF's Child Rights and Management Principles (CRBP), labor principles recommended by the International Labor Organization (ILO), and the labor laws of the labor laws of each country where the company operates. We do not employ children or adolescents under the age of 15. In addition, when employing youth under the age of 18, DRB does not assign them work that is hazardous to health and safety, including night shifts and overtime.

Human Rights Management

5. Freedom of Association

- DRB guarantees freedom of association and the right to collective bargaining in accordance with the laws and regulations of the countries where we operate. We do not treat an individual unfairly for reasons such as forming, joining, or engaging in trade unions, and aim for mutual prosperity based on trust between labor and management.

6. Safety and Health

- DRB guarantees and provides safety and a clean working environment to all members.

7. Wage

- DRB sets the wages at a level that exceeds the minimum wage prescribed by the laws and regulations of countries where we operate.

8. Work hours

- DRB complies with the laws and regulations of countries where we operate related to regular work hours and overtime hours and does not force members to work more than legal hours. We provide fair compensation commensurate with the provision of work.

9. Protection of Human Rights of Local Residents

- DRB manages our activities to ensure that the human rights of local residents as the environment, safety and health, and freedom of residence are not violated. We also collect opinions according to relevant laws and regulations and respect the autonomy and traditional values of the local community.

10. Protection of Human Rights of Customers

- DRB takes necessary precautions in accordance with the standards of the law in providing products and services to protect the life, health and safety of customers.

11. Environmental Rights

- DRB recognizes environment and energy as a major factor in management activities, and strives to realize a sustainable, low-carbon, and eco-friendly economy as a corporate citizen.
- DRB strives to restore the natural ecosystem and preserves biodiversity by efficiently utilizing natural resources and by-products.

Health and Safety Management

DRB Health and Safety Management Policy

DRB establishes a safety and health management system based on the management philosophy of respect for human dignity, provides a safe and pleasant environment to all stakeholders including members, partners, and customers, and carries out various activities to promote health.

1. DRB creates an accident-free and pleasant working environment with the members by establishing and implementing a health and safety management system, and periodically checks and continuously improves the safety and health activity process and implementation status.
2. DRB strictly complies with all domestic and international laws, regulations, and agreements related to health and safety. We do not perform work in a state where the health and safety of workers is not guaranteed under any circumstances.
3. DRB regularly inspects health and safety factors such as hazardous chemical conditions, workplace noise and vibration. Additionally, we prepare for immediate response in case of an emergency.
4. DRB continuously conducts training for an effective safety and health management, and enhances reliability by communicating with stakeholders.
5. DRB prioritizes the health of all stakeholders, including customers, members, and partners, and practices health management through a corporate culture of human respect.

Conflict Minerals Policy

Responsible Minerals Statement

DRB prohibits the use of conflict minerals* and cobalt mined and distributed due to human rights violations and environmental destruction in conflict areas, including 10 African countries (Democratic Republic of Congo (DRC) or any of the DRC's adjoining countries) to mitigate the risks. We will identify and encourage our suppliers to conduct due diligence by third-party organizations under the Responsible Minerals Assessment Program (RMAP*) for smelters in the supply chain.

In addition, for our future business partner, DRB will strengthen the supply chain assessment system (using CMRT, CRT*) and identify the certified smelters in advance.

Furthermore, to expand our responsible minerals sourcing policy to our supply chain, we will guide all suppliers to follow DRB's Responsible Minerals Policy.

Environmental Management

DRB Green Management Policy

DRB recognizes global environmental protection and climate change response as major agendas for management activities, and we practice the following to realize a sustainable, low-carbon, eco-friendly economy as responsible corporate citizens.

1. DRB leads the response to climate change based on the green management strategy system and creates the foundation for green management.
2. DRB recognizes the importance of protecting the global environment and minimizes greenhouse gas emissions from products and services while striving to protect water resources, preserve marine ecosystems, secure forests/biodiversity, reduce air pollution, hazardous substances, and waste, and expand energy conservation and recycling.
3. DRB complies with domestic and international laws, international initiatives, and international standards (ISO) related to the environment. We will establish and improve our own standards to a global level.
4. DRB provides differentiated value to customers by operating an eco-friendly system that minimizes environmental load throughout the entire business process.
5. DRB establishes a company-wide environmental management system and conducts regular inspections and diagnoses to create a pleasant working environment and contribute to the company's sustainable growth.
6. DRB actively supports the green management improvement programs of partner companies and local communities, faithfully fulfills corporate social responsibilities, and transparently discloses related information to stakeholders.

Environmental Management

DRB Green Procurement Policy

DRB contributes to society by fulfilling corporate social responsibilities for environmental preservation and natural resource conservation through green procurement activities, and practices eco-friendly management and promotes sustainable growth by gradually increasing the scale of green procurement.

1. DRB performs green procurement activities under the corporate philosophy of honesty, sincerity, and trust.
2. DRB's green procurement activities consider eco-friendliness throughout the entire process including supply, transportation, and unloading. We prioritize eco-friendly products whenever possible.
3. DRB strongly recommends eco-friendly products (subsidiary materials, consumables, etc.) to strengthen environmental management activities.
4. DRB monitors green procurement performance and discovers eco-friendly products for company-wide application to reduce environmental risk and contribute to sustainable growth.
5. DRB leads green procurement activities including discovery and introduction of eco-friendly materials for sustainable environmental development.

Ethical Management

DRB values ethical management as a core value of the company, and all executives and members recognize the importance of ethical values as a standard for appropriate decision-making and behavior, and actively practice the Code of Ethics and the Charter of Ethics.

DRB's Ethics Charter

DRB has established the corporate Ethics Charter for the realization of the core values of 'honesty, integrity, and trust' and the sustainable development of all stakeholders, and all executives and employees shall regard and comply with the Ethics Charter and Code of Ethics as standards for good decision-making and behavior.

1. We will comply with all laws and regulations in all areas of DRB's activities and aim to create a transparent and sound corporate culture through ethical business execution.
2. We will keep in mind that the growth of our customers is our development, and strive for customer satisfaction by providing products and services that customers can trust.
3. We will respect the free market economic order and pursue common development through fair competition and fair trade.
4. We will actively participate in social contribution activities to fulfill our responsibilities and obligations as a member of the country and local community.

Ethical Management

DRB Code of Ethics

As ethical management is DRB's core value, all members of the company recognize the importance of and actively put into practice ethical values in their decision-making and business activities.

Chapter 1. General Provisions

1. Scope of Application

1.1 This Code of Ethics shall apply to all members of DRB (hereinafter referred to as "members").

1.2 Affiliated companies may operate separate ethical standards as long as they do not violate DRB's ethical management ideology and policies.

2. Reporting of and Response to Violation of the Code of Ethics

2.1 When a member becomes aware of a violation of the Code of Ethics, he or she shall, without delay, report such violation to his or her manager, relevant department, or the audit department.

2.2 When a member makes a decision or engages in activities in violation of the Code of Ethics, he or she may be subject to investigation under relevant internal regulations and be subject to disciplinary action accordingly.

2.3 When a member has violated the Code of Ethics, the company shall prevent the recurrence of such violation by thoroughly identifying the relevant cause and providing proper training programs.

3. Review of Code of Ethics and Request for Opinions

3.1 The audit department may periodically review compliance with the Code of Ethics, and an auditor shall conduct verification thereof.

3.2 In the event an interpretation of the Code of Ethics is unclear, members can request that the audit department provide relevant opinions.

Ethical Management

Chapter 2 Code of Ethics for Members

1. Compliance with the Law and Fair Business Practices

1.1 Members shall respect market orders, comply with relevant legal provisions in all activities of DRB, and conduct their work in a fair and ethical manner.

1.2 Members shall not engage in illegal money-laundering or insider-trading activities.

1.3 Members shall not direct or compel their fellows or subordinate employees to conduct their work in an unfair or unethical manner. In the event a member is subject to such direction or compulsion, they shall not comply therewith.

2. Prohibition of the Provision or Receipt of Money or Entertainment

2.1 Members shall not receive money, gifts, or entertainment from interested parties, including their transacting parties.

2.2 Members shall not provide money, gifts, or entertainment beyond the acceptable social norms to interested parties, including their transacting parties, with respect to the company's businesses.

2.3 Members also shall not provide money, excessive gifts, or entertainment to each other.

3. Prevention of Conflicts of Interest

3.1 Members should try to avoid any conflict of interest with the company. In the event a conflict of interest occurs, between the company and a member or department, members should prioritize the interests of the company.

4. Protection and Prohibition of Use of Internal Information

4.1 Members shall strictly control and protect all information of the company and customers they obtain in the course of conducting their work, and they shall not disclose or privately use such information.

4.2 Members shall be prohibited from trading stocks using internal confidential information obtained in the course of conducting their work, and shall not provide a third party with any undisclosed information that may affect the prices of securities without first completing all lawful procedures.

Ethical Management

5. Prevention of Sexual Harassment

5.1 Members shall not use any language or engage in any activity that may undermine collegiality, including physical, linguistic, or visual activities that may be found to cause sexual humiliation.

6. Compliance with Code of Ethics

6.1 Members shall sincerely comply with the Code of Ethics. In the event a member violates the Code of Ethics, he or she shall be held responsible for his or her actions.

Chapter 3. Ethics for Customers, Shareholders, and Business Partners

1. Respect and Protection of Customers

1.1 DRB shall think and act from the perspectives of customers, while keeping in mind that the growth of customers translates to the growth of DRB, and make efforts to ensure customer satisfaction by considering social responsibility and providing products and services that can satisfy and be relied upon by customers.

1.2 DRB shall provide accurate information, products, services, etc., to customers, and shall not provide false information.

1.3 DRB shall protect the interests, safety, and personal information of customers and shall not engage in unreasonable activities in relation to customers.

1.4 DRB shall provide products and services that prioritizes safety of customers, and complies with all consumer protection laws.

2. Protection of Shareholders and Investors

2.1 DRB shall protect the rights of shareholders and accept reasonable requests and proposals of shareholders.

2.2 DRB shall treat all shareholders, including minority shareholders, in a fair and equal manner.

2.3 DRB shall make efforts to ensure that the interests and rights of minority shareholders are not unreasonably infringed upon in making business management judgments by considering all interests involved.

Ethical Management

2.4 DRB shall manage and record its financial status and business performance accurately and transparently, in accordance with accounting standards, and allow investors and users of such information to make reasonable investment decisions by providing such information in a timely manner and in accordance with relevant laws.

3. Respect for Business Partners and Competitors

3.1 DRB shall make common developments by establishing mutual trust and cooperative relationships through fair transactions with its business partners.

3.2 DRB shall not compel its business partners to engage in any form of unreasonable activity or unduly influence its business partners by taking advantage of its superior position, and respect the business partners' physical and intellectual property rights.

3.3 DRB shall respect the fair and free market economy order according to the principle of free competition and compete fairly with its competitors.

3.4 DRB shall respect the fair trade order and comply with fair trade-related laws.

Chapter 4. Social Responsibilities and Contributions

1. Compliance with Domestic and Foreign Laws

1.1 DRB shall comply with not only domestic laws, as a member of the nation and local community, but also relevant internationally accepted laws.

2. Contribution to National Economy and Social Development

2.1 DRB shall contribute to the development of the national economy and society by improving productivity, creating jobs, properly paying taxes, and making social contributions.

3. Environmental Protection

3.1 DRB shall make efforts to protect and preserve the environment.

Sustainable Supply Chain

DRB Mutual Cooperation Policy

Under the management philosophy that 'competitiveness of suppliers contributes to DRB's growth', we promote mutual cooperation based on company core values and corporate citizenship to build a sustainable supply chain.

1. (Expansion of Sustainable Management) To realize a sustainable society, DRB makes joint efforts in environmental protection, human rights protection, industrial safety, and compliance and ethical management with suppliers.
2. (Practice of Ethical Procurement) DRB pursues fair trade starting from the initial contract-signing stage to the entire fulfillment stage to comply with the basics and principles of fair trade.
3. (Enhanced Communication) DRB establishes a system to prevent and audit suppliers' grievances and unfair trade practices.
4. (Expansion of a Shared Growth Culture) DRB provides various supports to enhance the competitiveness of external suppliers and manage potential risks.

Corporate Social Responsibility

DRB Corporate Social Responsibility Charter

DRB recognizes that the realization of a sustainable society through eco-friendliness, coexistence and mutual growth with local communities, global talent development, and the pursuit of happiness for future generations is an important role for corporate citizens. We aim to create a sustainable society by joining the global effort to achieve the UN SDGs (Sustainable Development Goals).

1. (Active Social Contribution) DRB recognizes social contribution (corporate citizenship) activities as the basic role of corporate management and strives to fulfill our social responsibilities as a corporate citizen.
2. (Global Environmental Protection) DRB strives for sustainable safety of local community and global environmental protection.
3. (Community Contribution) DRB contributes to the quality-of-life improvement of local community by performing CSR activities (corporate social responsibility) demonstrating our professional capabilities.
4. (Cultivation of Human Resources) DRB contributes to building an enriched and healthy society by providing learning opportunities without discrimination and making efforts for future generations.
5. (Need-Based Contribution) DRB takes the lead in CSR activities which are customized based on community needs using our CSR platform (Campus D) and network.
6. (Continued Effort Promise) DRB will devote our attention to the sustainable CSR activities in a continuous and good way rather than a temporal social contribution activity.