KIDO INDUSTRIAL CO., LTD. · ETHICAL MANAGEMENT

Ethical Management Practice Guidelines

Chapter 1 General Provisions

Article 1 [Purpose]

The purpose of these Ethical Management Practice Guidelines (the "Guidelines") of KIDO Industrial Co., Ltd. ("KIDO" or the "Company") is to provide standards for decision-making and conduct in ethical dilemmas that may arise in the course of business, so that all officers and employees can properly understand and practice ethical management based on the fundamental values of honesty, integrity and mutual respect.

Article 2 [Scope]

These Guidelines apply to all stakeholders that have a relationship with the Company, including officers and employees, customers and partner companies.

Article 3 [Definitions]

The terms used in these Guidelines are defined as follows:

(1) Money or Valuables: cash equivalents including cash and checks; all securities including gift certificates and accommodation, admission, discount, invitation and viewing vouchers; all property rights such as real estate and memberships; and any other goods of economic value such as gifts and souvenirs.

(2) Entertainment and Hospitality: the benefit of meals, drinks, golf and other sports, and all kinds of amusement.

(3) Conveniences: any tangible or intangible economic support other than Money or Valuables and Entertainment and Hospitality, such as transportation, accommodation, event support, offers of employment and the granting of business interests.

(4) Internal Whistleblower: any officer or employee who has a duty to report the giving or receiving of Money or Valuables or knowledge of such facts.

(5) Stakeholder: any person, corporation or organization that has a business relationship with the Company, and any natural person, corporation or organization inside or outside the Company whose rights or interests are affected by the business-related conduct or decisions of officers and employees.

(6) Manager: a head of department holding a position of team leader or above.

(7) Socially Customary Level:

1. Definition: a universally reasonable level that other officers and employees or the general public would understand based on sound common sense, to the extent that the recipient feels no obligation and can still perform his or her duties fairly.

2. Requirements

a. The parties must be on an equal footing.

b. The other party must not feel particularly uncomfortable.

c. It must not be frequent, periodic or habitual.

d. It must not be linked to a critical business period or purpose.

e. It must not be lavish or extravagant.

f. It must not conflict with good social morals or customs.

(8) Unavoidable Circumstances:

1. Where refusal was impossible because the item was delivered in one's absence;
2. Where a firm refusal of a goodwill gesture would be regarded as discourteous; or
3. Where receipt through a family member, relative or acquaintance is discovered afterwards.

Article 4 [Responsibilities and Duties of Officers and Employees]

(1) All officers and employees shall recognize KIDO's ethical management as a core value, and shall be fully familiar with and faithfully comply with these Guidelines in order to realize it.

(2) Ignorance of these Guidelines shall not be an excuse. Where there is any question or ethical dilemma, officers and employees shall consult the department in charge and act in accordance with its interpretation.

(3) Officers and employees shall not violate these Guidelines through their family members, relatives or acquaintances.

Article 5 [Responsibilities and Duties of Managers]

(1) Managers of the Company shall support and supervise their team members and business-related Stakeholders so that they properly understand and comply with the Code of Ethics and these Guidelines.

(2) Managers shall set an example for others by taking the lead in complying with the Code of Ethics and these Guidelines through fair and clean decision-making and conduct.

(3) Where an incident in violation of the Code of Ethics occurs, the Manager of the department concerned shall also bear corresponding responsibility.

Article 6 [Department in Charge]

In accordance with Article 6 of the Code of Ethics, the Ethical Management Team shall be in charge of the overall administration of these Guidelines, including receiving reports from internal and external whistleblowers, verifying the facts, and deliberating, resolving, analyzing and reporting on the results of investigations into violations of these Guidelines.

Chapter 2 Ethics toward Customers

Article 7 [Customer Satisfaction]

(1) We exist together with our customers. Bearing in mind that customers are the foundation of the Company's growth and existence, we make customer satisfaction the highest standard for all value judgments.

(2) Officers and employees shall accurately understand customers' needs and expectations and always strive to provide the best products and services to meet them.

(3) We always listen to customers' opinions and suggestions and accept them positively and actively.

(4) We always keep our promises to customers and, where a promise unavoidably cannot be kept, seek the customer's understanding in advance.

(5) We do not engage in false or exaggerated advertising toward customers.

(6) When a customer complaint arises, we apologize courteously and resolve it fairly, reasonably and promptly.

(7) To respond promptly to customer requests, we always strive to maintain accurate, professional knowledge of our areas of responsibility.

Article 8 [Protection of Customers' Property and Rights]

(1) All customer property shall be protected in the same manner as the Company's own property.

(2) Facts that customers are entitled to know, or of which customers ought to be informed, shall be provided accurately and promptly for the sake of customers' rights.

(3) We do not harm customers' rights and interests through unethical conduct.

Article 9 [Protection of Customer Information]

(1) Customers' personal information, such as personal details and transaction records, shall not be arbitrarily collected, used or provided to anyone, except as permitted by the relevant laws.

(2) Personal information shall not be collected, held, transferred or leaked without the customer's consent, and shall not be used for any purpose not consented to, for any reason whatsoever.

1. Customer information shall not be provided to others by telephone, fax, e-mail or any other means.

2. No one shall request or agree to the disclosure of customer information for any reason, including personal or business acquaintance.

(3) Thorough protective measures shall be put in place for all customer information in accordance with the relevant laws and information security regulations and guidelines.

(4) No one shall access the Company's computer systems by misusing another person's name or password in order to obtain customer information.

(5) Documents containing customer information shall not be left exposed on a desk for long periods, and computer screens displaying customer information shall not be left on, or otherwise left where others can easily see them.

(6) Customer information shall not be lost through negligent handling.

(7) Unnecessary copies of documents or files containing customer information shall not be made, and Managers shall strictly control this.

Article 10 [Receiving Money or Valuables, Entertainment or Conveniences from Customers]

(1) We do not directly or indirectly receive improper Money or Valuables, Entertainment or Conveniences from customers, nor do we encourage or condone such conduct.

(2) Any such offer shall be courteously declined. However, souvenirs of a socially acceptable level provided to participants at an event hosted by a customer, such as souvenirs bearing the customer's company logo, are excluded.

1. Money or Valuables received without one's knowledge shall be returned immediately.

2. Where Money or Valuables were unavoidably received against one's will, or are difficult to return, they shall be submitted to the Ethical Management Team within three (3) working days of receipt.

Article 11 [Where a Customer Requests Money or Valuables, Entertainment, etc.]

(1) Any request from a customer for improper Money or Valuables, Entertainment, Conveniences, loans of money or the like shall be reported immediately to the Ethical Management Team.

(2) Wreaths or congratulatory or condolence money for family events of a customer's officers and employees shall require the approval of the executive in charge (Group Head or Branch Manager) and shall not exceed a socially acceptable level.

(3) Where the customer is a public official or the like, the Improper Solicitation and Graft Act, the Code of Ethics for Public Officials and all related regulations shall be complied with.

(4) Where a customer requests participation in or sponsorship of an event, and the request is judged to be unrelated to business or in the nature of entertainment, it shall be avoided and must be reported to the Ethical Management Team.

Chapter 3 Ethics toward Competitors and Partner Companies

Article 12 [Giving and Receiving Money or Valuables, Entertainment or Conveniences with Partner Companies and Other Stakeholders]

(1) Receiving Money or Valuables, gifts, Entertainment or the like is prohibited regardless of the amount or whether anything is expected in return, and receipt through a family member, relative or acquaintance shall be deemed the act of the officer or employee himself or herself.

(2) Any such offer shall be courteously declined after explaining the Company's ethical management policy. However, souvenirs of a socially acceptable level provided to participants at an event hosted by a Stakeholder are excluded.

(3) Meals and the like provided by Stakeholders shall not exceed a socially acceptable level.

(4) Conveniences such as transportation or accommodation shall not be accepted during vacations or business trips. However, this is permitted where it is not directly connected with a business deal, is necessary for business, and has been approved in advance by the CEO (e.g., attendance at general seminars and exhibitions).

(5) Family events shall not be intentionally made known to Stakeholders, and even where a Stakeholder voluntarily offers congratulatory or condolence money, any amount exceeding a socially acceptable level shall not be accepted.

(6) Wreaths shall be courteously declined after explaining the Company's ethical management policy to the other party; where a wreath is unavoidably received, it shall be reported to the Ethical Management Team and used for Company purposes such as improving the office environment. However, where unavoidable for business purposes, a wreath approved by the executive in charge (Group Head (HOD)) may be sent within a socially acceptable level.

(7) Offering Money or Valuables or Entertainment to business-related Stakeholders is prohibited. Where unavoidable for business purposes, gifts or hospitality of a socially acceptable level are permitted.

(8) Receiving or providing entertainment at adult entertainment or other disreputable establishments that are subject to social and ethical criticism (karaoke bars, hostess bars, etc.) is prohibited.

(9) Playing golf with a trading company and having it bear the cost, asking a trading company to arrange golf bookings, or using a trading company's golf membership is prohibited; any violation shall be deemed the receipt of Money or Valuables or Entertainment. Where golf is to be played in connection with business, the Ethical Management Team shall be notified in advance.

Article 13 [Code of Conduct on Sponsorship and Contributions]

(1) Sponsorship in the form of cash, goods, transportation or the like shall not be received from Stakeholders for in-house events such as outings, sports days and workshops.

(2) Giving advance notice of an event in any of the following ways shall also be deemed an intentional act to obtain sponsorship:

1. Openly talking about the event to Stakeholders in a way that puts them under pressure, or posting it on an internal bulletin board or the like that Stakeholders can see; or
2. Delivering an event notice to Stakeholders without the Company's prior approval.

(3) Where it is necessary to invite Stakeholders owing to the nature of the event, the Company's prior approval shall be obtained, and the Stakeholders shall be informed upon invitation that no contributions (Money or Valuables) will be accepted, so that they feel no burden in attending.

(4) Where a Stakeholder brings cash or goods worth more than KRW 100,000, they must be returned. Where there is no choice but to accept them, or where goods worth KRW 100,000 or less are received, the person in charge of the event shall express thanks and explain the Company's policy so that it does not happen again.

(5) Events hosted by a Stakeholder may be attended only for business purposes and after obtaining the Company's prior approval. Where an event is judged likely to depart from its business purpose or to turn into the provision of Conveniences or hospitality, it shall be avoided; where Entertainment or hospitality unavoidably takes place, its cost must be paid to the Stakeholder and it shall be reported to the Ethical Management Team in the same manner as the receipt of Money or Valuables.

Article 14 [Improper Demands on Partner Companies and Other Stakeholders]

(1) Informing a trading company of a company dinner, handing over receipts for dinner expenses or the like, and receiving any other form of sponsorship are prohibited; any violation shall be deemed the receipt of Money or Valuables.

(2) Stakeholders shall not be asked to attend departmental events, club activities or the like. Where their attendance is unavoidable owing to the nature of the event, the prior approval of the head of the organization concerned shall be obtained. Accepting Conveniences such as vehicles, venues or services needed for the event shall be deemed the receipt of Entertainment, and informing Stakeholders of the event in advance shall be deemed an intentional act to obtain sponsorship.

(3) No improper additional demands beyond the scope of the contract shall be made.

Article 15 [Private Financial Dealings and Undue Pressure]

(1) Private financial dealings with Stakeholders, such as loans of money, are prohibited because they may compromise fairness in the performance of duties.

(2) No one shall obtain private gain by purchasing or leasing tangible or intangible assets, such as securities or real estate, from a Stakeholder at a markedly low price. In such a case, the difference between the normal price and the purchase price shall be deemed the receipt of Money or Valuables.

(3) No one shall ask a Stakeholder to pay or repay card bills, credit purchases, loans or the like on his or her behalf; such a case shall also be deemed the receipt of Money or Valuables.

(4) Requesting personal favors, such as arranging employment after retirement, is prohibited.

Article 16 [Prohibition of Unfair Trade Practices]

(1) The principle of coexistence through partnership shall be observed with Partner Companies. Both parties shall strive to complement each other on an equal footing and develop in a balanced manner. No one shall establish a one-sided business relationship solely for the Company's benefit or intentionally disadvantage and harm a particular Partner Company.

(2) Officers and employees in a position to influence the selection or evaluation of Partner Companies shall never exercise, or attempt to exercise, their influence to favor or discriminate against a particular company.

(3) Partner Companies shall be given fair opportunities and terms in accordance with the principles and procedures set by the Company. No one shall engage in collusion or any other unfair trade practice prohibited by fair trade laws, or in any improper conduct in violation of Company regulations.

(4) Where the terms of business with a Partner Company unavoidably need to be changed, there must be justifiable grounds; no one shall unilaterally break the terms of a contract or intentionally engage in any of the following:

1. Unfair dealings:
   a. Unilaterally demanding a reduction in supply prices;
   b. Unilaterally notifying an adjustment of supply volumes;
   c. Unilaterally demanding changes to detailed contract terms;
   d. Deliberately delaying payment;
   e. Unilaterally suspending business during the contract period without justifiable grounds;
   f. Forcing the purchase of goods or the like;
   g. Unjustly cancelling an order; or
   h. Unjustly returning goods.
2. Prohibition of unfair special terms:
   a. Terms requiring a Partner Company to bear costs arising from additional demands not stated in the contract;
   b. Terms requiring a Partner Company to bear costs that the Company should bear, such as those related to handling complaints or industrial accidents; and
   c. Any other terms that restrict the interests of a Partner Company or shift to it obligations imposed on the Company.
3. Obstruction of business: doing any of the following deliberately or without prior consultation with the Partner Company:
   a. Unjustly using a Partner Company's technology;
   b. Deliberately interfering with its dealings with competitors; or
   c. Otherwise intentionally obstructing its business activities in order to disadvantage it.

(5) Where grounds unavoidably arise for changing the terms of business with a Partner Company, the reasons shall be reported to, and approval obtained from, the executive in charge (Group Head (HOD)) in accordance with the procedures set by the Company, and consultation shall be held with the Partner Company on that basis where necessary.

(6) To ensure compliance with fair trade practices, the relevant provisions shall be included in the related documents whenever a contract is executed with a trading company or Partner Company.

Article 17 [Duty to Respect Partner Companies]

(1) Courtesy and good manners shall be observed when working with the employees of Partner Companies.

(2) Business with Partner Companies shall be conducted with mutual respect on an equal footing, not in a superior–subordinate relationship.

Chapter 4 Principles of Conduct for Officers and Employees

Article 18 [Receiving or Offering Excessive Benefits from or to Stakeholders]

(1) Receipt of Money or Valuables

1. Money or Valuables offered by a Stakeholder shall not be accepted for any reason whatsoever and shall be courteously declined or returned; nor shall Money or Valuables be offered to Stakeholders.

2. Where Money or Valuables have been received from, or offered to, a Stakeholder, this must be reported within three (3) business days.
3. Family members of officers and employees shall likewise not receive, request or offer Money or Valuables that appear to be provided by a Stakeholder in connection with business.
4. Any person who has directly or indirectly received Money or Valuables from, or offered them to, a Stakeholder shall be subject to disciplinary action regardless of whether he or she recognized it as such. However, where a superior receives Money or Valuables from a Stakeholder and passes them to a subordinate who is unaware of their source, only the superior shall be subject to disciplinary action.
5. Examples of Money or Valuables:
   a. Money: cash, checks, other securities, etc.
   b. Gifts: vouchers for golf driving ranges and fitness clubs; gift certificates, viewing vouchers and goods; other promotional and discount benefits, etc.
   c. Bearing of costs: a Stakeholder bearing entertainment expenses, company dinner expenses or other personal expenses, etc.

(2) Congratulatory and Condolence Money

1. Notices of family events among employees shall be limited to events of relatives, and for this purpose relatives shall be limited to the grandparents, parents and children of the employee and his or her spouse.
2. Congratulatory and condolence money among employees shall not exceed a Socially Customary Level.
3. Congratulatory and condolence money within the generally accepted social range is exempt from the reporting obligation. Socially acceptable congratulatory and condolence money and gifts shall not exceed KRW 100,000.
   a. Congratulatory and condolence money: receipt of cash of up to KRW 100,000 is permitted only for the wedding of the officer or employee or his or her child, and for the funeral of an immediate family member (including the spouse's parents).
   b. Congratulatory and condolence gifts, and wreaths for family events, promotions and the like, shall not exceed KRW 100,000. (The giving and receiving of wreaths between affiliates for family events, promotions and the like is prohibited.)
4. Where the amount received from a Stakeholder exceeds the socially acceptable range, or where a Stakeholder is put under pressure by being notified of a family event in advance, the act shall be deemed intentional; accordingly, the following acts are prohibited (however, posting on an internal bulletin board not accessible to Stakeholders is permitted):
   a. Delivering or sending a notice to a Stakeholder (by e-mail, post, fax, etc.);
   b. Posting on a bulletin board or the like that external Stakeholders can see; or
   c. Speaking of the family event in person, or openly making it known through superiors, colleagues or subordinates.

(3) Entertainment and Hospitality

1. As a rule, Entertainment and Hospitality such as meals, drinking parties and golf shall be neither offered nor received; it is permitted only in ordinary cases of business cooperation that are generally accepted as socially customary, and where approved by the executive in charge.
2. Even an ordinary meal for business cooperation shall be voluntarily avoided where it is judged to be strongly in the nature of entertainment or where it causes a sense of obligation.

3. Offering Entertainment and Hospitality to, or receiving it from, a Stakeholder shall be deemed the receipt of Money or Valuables.

4. Where it is difficult to judge whether an occasion is an ordinary meal for business cooperation or Entertainment and Hospitality, the most appropriate action shall be taken in consultation with the Ethical Management Team.

5. Examples of prohibited establishments

a. Disreputable establishments: hostess bars, karaoke bars, nightclubs, massage parlors, upscale barbershops, illicit saunas, other establishments offering sexual services, and lavish or extravagant entertainment venues

b. Gambling venues: card gambling (Go-Stop), casinos, etc.

c. Sports: golf, etc.

(4) Provision of Conveniences

1. Officers and employees shall not, for any reason whatsoever, request Conveniences from a Stakeholder or accept a Stakeholder's offer of Conveniences.

2. Where Conveniences have been received for the Company's official purposes, fair consideration shall be paid; where that is not possible, the matter shall be reported in accordance with the reporting procedure. However, an exception applies where accommodation, meals and transportation are provided at facilities directly operated by a Stakeholder for the purpose of training or seminars.

3. Receiving Conveniences from a Stakeholder shall be deemed the receipt of Money or Valuables.

4. Examples of Conveniences

a. Business trip support: transportation, accommodation and meals

b. Personal vacation support: transportation, accommodation, sightseeing guidance, etc.

c. Office supplies support: support for department relocation costs, office supplies, etc.

d. Sponsorship and contributions: sponsorship of departmental events, invitations from Stakeholders to events unrelated to business, etc.

(5) Acquisition of valuable assets or property: Acquiring from a Stakeholder an interest in valuable assets or property, such as securities, other movable property or real estate, shall be deemed the receipt of Money or Valuables.

(6) Borrowing of assets: Borrowing money from a Stakeholder, or leasing assets or receiving collateral from a Stakeholder for personal convenience or gain, shall be deemed the receipt of Money or Valuables.

(7) Guarantees of Future Benefits and Personnel-related Solicitation

1. Promise of post-retirement employment or job placement: No one shall request from a Stakeholder, or accept a Stakeholder's offer of, post-retirement employment, job placement or any equivalent promise in any form.

2. Promise of a business contract: No one shall request from a Stakeholder, or accept a Stakeholder's offer of, a promise guaranteeing any benefit such as the conclusion of a business contract after retirement.

3. No one shall solicit a Stakeholder on any personnel matter, such as the hiring, promotion or assignment of a relative or acquaintance.

(8) Repayment or Guarantee of Debts

1. Payment on one's behalf: No one shall ask a Stakeholder to pay or repay the debts (card bills, credit purchases, loans, interest, etc.) of oneself, of related persons such as family members and relatives, or of other officers and employees, nor accept a Stakeholder's offer to do so.
2. Loan guarantees: When oneself, a related person such as a family member or relative, or another officer or employee takes out a loan (regardless of the type of lending institution), no one shall request a guarantee from a Stakeholder or accept a Stakeholder's offer of a guarantee.
3. Allowing a Stakeholder to make payment on one's behalf or to guarantee a loan shall be deemed the receipt of Money or Valuables.

Article 19 [Transacting with the Company in the Name of a Related Person]

No one may transact with the Company (supply of goods, provision of services, etc.) in his or her own name or in the name of a related person such as a family member or relative. However, an exception applies where an “Application for Approval of Transaction with a Related Person” has been submitted to the Ethical Management Team and prior approval has been obtained through due process on the same terms as those applied to other Stakeholders.

Article 20 [Joint Investment, Joint Acquisition of Property, and Lending or Borrowing of Assets Including Money with Stakeholders]

(1) Where an officer or employee, or a related person such as a family member or relative, jointly invests funds with a Stakeholder (regardless of the purpose) and jointly acquires assets such as movable property or real estate, an amount equivalent to the Stakeholder's share shall be deemed to have been received from the Stakeholder.

(2) This covers all assets held in the joint names of a Stakeholder and the officer or employee or a related person such as a family member or relative, such as condominiums, golf memberships, health club memberships, real estate and joint venture businesses, as well as assets acquired in another person's name in which a substantive ownership interest is held.

(3) Officers and employees, and related persons such as family members and relatives, shall not borrow from or lend to Stakeholders any money or other assets.

(4) Such dealings shall be deemed the receipt of Money or Valuables regardless of whether interest or rent is paid or received.

Article 21 [Unlawful Removal or Use of Company Assets]

(1) No one shall engage in conduct that causes loss of Company property or disrupts the performance of business, including the acts defined below:

1. Embezzlement of Company funds: misappropriating Company funds and making them one's own assets;
2. Misuse of Company funds: privately diverting Company funds to other uses;
3. Removal of Company property: taking Company property off the premises without authorization for personal use, sale or the like;
4. Use for other purposes: using the Company's facilities, machinery, materials or other items for private gain, thereby causing loss of Company property or disrupting the performance of business; and
5. Using the Company's budgetary resources, such as meeting expenses and business promotion expenses, for private purposes.

(2) As a rule, corporate cards shall be used for expenses, and they shall be used in line with the purpose of the budget and the standards set out in Company regulations.

(3) Examples of unlawful removal and improper use of Company assets

1. Embezzlement and misuse of Company funds:

a. Unauthorized withdrawal or diversion of Company funds, private borrowing of such funds, personal misappropriation through manipulation of the accounting books, gifts to Stakeholders, etc.;

b. Unlawful diversion of corporate cards (private use, cashing out through fictitious card transactions, etc.);

c. Claiming expenses with false receipts (receipts for personal spending, etc.);

d. Abuse of the receipt-free expense system (diversion of travel expenses, etc.);

e. Recording personal entertainment, or hospitality-type expenses that are difficult to account for, under other expense accounts; and

f. Giving a corporate card to family or relatives for unauthorized use, etc.

2. Embezzlement and misuse of tangible assets:

a. Diversion of fixed assets to non-business purposes, unauthorized use, or use for personal gain;

b. Unauthorized removal or use of business assets, or providing them to family or relatives for their use; and

c. Using Company vehicles, including test-drive vehicles, for commuting, or taking them out on weekends without approval for personal use.

Article 22 [Pursuit of Private Gain Using One's Position or the Company's Non-public Information]

(1) No one may trade in any securities, including shares, or other property interests using non-public information of the Company, its customers or Partner Companies obtained during his or her employment with KIDO.

(2) No one shall disclose to a third party non-public information obtained in the course of business, or use it to advise on or influence in any way a third party's trading in securities, including shares, or other property interests.

(3) No one may serve as an officer or employee of, or maintain an advisory or other business relationship with, a competitor, customer or Partner Company where this may affect his or her independent judgment or hinder the proper performance of his or her duties, nor may he or she invest in such a competitor, customer or Partner Company (except for the legitimate acquisition of their shares on the stock market).

Article 23 [Disclosure of Non-public Information]

(1) Information, plans, materials and the like concerning KIDO's sales, finance, personnel, technology and other matters that have not been made public (including information obtained from other companies by virtue of working at KIDO) shall be kept and managed as confidential and shall never be taken outside the Company or disclosed or divulged to a third party without prior permission or approval under the Company's written policies and procedures.

(2) Upon leaving KIDO, no one may retain the originals or copies of such information, plans or materials, and their contents shall be kept confidential permanently even after leaving.

Article 24 [Courtesy among Officers and Employees and Unreasonable Discrimination]

(1) Officers and employees shall observe the basic courtesy required in the workplace toward one another, and shall not behave or speak disrespectfully, nor slander or discriminate against other employees.

(2) Officers and employees shall not discriminate against colleagues, customers or suppliers on the grounds of family ties, regional ties, school ties, gender, religion or the like.

Article 25 [Manipulation of Documents and Figures]

(1) No one shall deliberately manipulate or alter documents, figures or the like contrary to the facts so as to cloud or mislead the decisions and judgments of superiors or related departments.

(2) All accounting documents, including financial statements, shall be fairly prepared in accordance with tax laws and corporate accounting standards and reported to shareholders and other Stakeholders.

(3) All documents and figures of any kind in which officers and employees record information and which they submit to the Company shall be prepared accurately and honestly.

(4) Examples of manipulation of documents and figures and false reporting

1. Where a superior orders the manipulation of documents or figures, or where a subordinate condones such an order knowing it to be clearly improper, both constitute the same unlawful act.
2. Making dishonest, false reports to the Company's management, internal audit function or external auditors constitutes an unlawful act.
3. In addition to direct false reporting, manipulating information for the purpose of misleading its recipient is likewise included in such misconduct.

Article 26 [Neglect of Duty, Negligent Supervision, Acting beyond Authority and Unfair Trade Practices]

Officers and employees shall exercise the duty of care of a good manager and shall not engage in unethical or unlawful conduct that causes loss to the Company or damages its reputation, including the acts defined below.

(1) Neglect of duty: causing loss to the Company or damaging its reputation by failing to do what is naturally required by one's position and responsibilities. In this regard:

1. Officers and employees shall faithfully perform the duties assigned to them with a sense of mission, in accordance with Company policy.
2. Officers and employees shall be familiar with and comply with the Company's regulations and systems relating to their work.
3. Officers and employees shall share information and actively cooperate with superiors, subordinates, colleagues and other departments in order to accomplish their work.

(2) Negligent supervision: causing loss to the Company or damaging its reputation by failing to exercise the duty of care of a good manager responsible for the performance of work. In this regard:

1. Officers and employees shall be able to take responsibility for the results of the duties assigned to their position.
2. Officers and employees shall anticipate risks that may arise in the performance of their work, remain vigilant at all times, and take ownership of any problems that occur.
3. In particular, Managers shall fulfill their duty to manage and supervise their subordinates.

(3) Acting beyond authority: causing loss to the Company or damaging its reputation by abusing one's position, or by doing what one's position does not permit or what exceeds one's authority. In this regard:

1. Superiors shall not give subordinates improper work instructions unrelated to the Company or to business purposes.

2. Officers and employees shall not make arbitrary decisions contrary to Company regulations or beyond the scope of their authority and responsibility, nor officially convey promises they cannot keep.

(4) Unfair trade practices: failing to perform work that ought to be done, or doing what ought not to be done, for the purpose of benefiting or disadvantaging a particular Stakeholder, or delaying, obstructing or encouraging the obstruction of work. In this regard, the following are prohibited:

1. Unfair dealings (unilateral adjustment of supply volumes, unjust purchases at low prices, unilateral changes to contract terms, deliberate delay of payment, unilateral termination of business, purchases at high prices from particular companies only, etc.);
2. Unfair support (unjust provision of funds, personnel or assets); and
3. Obstruction of business (unjust use of technology, unjust hiring of a Partner Company's personnel, interference with dealings with competitors, other obstruction of business activities), etc.

Article 27 [Sexual Harassment and Sexual Conduct or Expressions]

(1) No officer or employee shall engage in any of the following, whether inside or outside the workplace:

1. Words or conduct that cause sexual humiliation to another person or that emphasize fixed gender roles (“because you are a woman,” “because you are a man”);
2. Telling obscene jokes or stories, forcing others to pour drinks or dance at company dinners or other gatherings, or soliciting or coercing sexual relations;
3. Sexual remarks about, or comparisons concerning, a colleague's body;
4. Kissing, hugging, embracing from behind, or touching or making contact with particular parts of the body;
5. Posting or showing obscene material in the workplace through the internet, computer networks, publications or the like; and
6. Any other verbal, physical or visual conduct that may be regarded as sexual harassment.

(2) Reporting and investigation procedures for sexual harassment, protection of reporters and related matters may be set out in separate guidelines.

Article 28 [Prohibition of Conflicts of Interest]

(1) In performing their duties, officers and employees shall avoid all transactions that conflict with the interests of the Company and, where such a conflict arises, shall think and act with the Company's interests as the highest priority.

(2) Officers and employees shall perform their duties honestly and fairly in accordance with the law, Company regulations and their own conscience, and shall not engage in any unethical conduct in connection with their duties that may be subject to public criticism.

Chapter 5 Relationship between Officers and Employees and the Company

Article 29 [Embezzlement and Misuse of Company Funds]

(1) Private use of Company funds is prohibited regardless of the amount or the reason.

(2) Company funds, including receipts, shall be managed only through bank accounts in the Company's name.

(3) Receipts shall be recorded as income without delay, and all disbursements shall be fully supported by evidence.

(4) Company expenses, as Company funds, shall be used only for their designated purposes and for business activities, and no false claim shall be made on the Company's budget for private gain.

(5) Goods and services for private use shall not be purchased with corporate cards or securities owned by the Company (including gift certificates).

(6) The following shall apply to officers and employees who embezzle or misuse Company funds:

1. The act shall be deemed deliberate harm to the Company, and the most severe level of disciplinary action shall apply.
2. Criminal charges may be considered, taking into account the amount involved, any loss to the Company and other factors.
3. They shall be excluded from any mitigation of disciplinary action.

Article 30 [Private Use of and Damage to Company Property]

(1) Company property shall be used only for the Company's official purposes, and private use of Company-owned items constitutes embezzlement.

(2) Promotional items and the like shall be purchased with their purpose and quantity clearly defined, and care shall be taken to ensure that they are not used privately.

(3) Goods and the like obtained free of charge in the course of business dealings shall be submitted to the Ethical Management Team.

(4) Except where required for business, Company PCs shall not be used to access harmful or other non-business websites, nor for activities unrelated to work such as chatting, stock trading, gambling or distributing illegal videos.

(5) Working hours shall be managed as Company property, and their use for personal matters such as hobbies or religious activities is prohibited. In unavoidable cases, the approval of the executive in charge (HOD) must be obtained.

(6) Any transfer or lending of Company property to outside parties shall follow the prescribed procedures.

(7) Company property shall be handled with care.

Article 31 [Improper Budget Execution]

(1) Budgets shall be used for the purposes for which they were originally allocated; where reallocation is unavoidable, the relevant guidelines shall be followed.

(2) Non-recurring receipts arising from the sale of equipment, compensation for damage or the like shall be recorded as income in accordance with the Company's standards and procedures.

(3) Efforts shall be made to ensure that budgets are executed reasonably and efficiently.

(4) Converting corporate cards or securities (including all gift certificates) into cash is strictly prohibited.

Article 32 [Prohibition of Illegal Software]

(1) All officers and employees shall use only software approved by the Company and shall not use unapproved, illegal software.

(2) Unapproved software for private use shall not be installed or used on work PCs provided by the Company.

Article 33 [Leakage of Corporate Information, etc.]

(1) Corporate information shall be used only for approved purposes and shall not be used for private purposes.

(2) Materials to be provided to outside bodies, such as government agencies and academic societies, shall be approved in advance by the head of the department concerned.

(3) Requests for media coverage shall not be handled by individuals or their departments; the department in charge of public relations must be consulted in advance.

(4) Company information shall not be disclosed to third parties or used privately, even after retirement.

(5) All materials shall be managed in compliance with the Company's security regulations.

(6) Damaging the corporate image or undermining the organizational atmosphere by spreading rumors or other false information is prohibited.

Article 34 [Distortion of Management Information]

(1) All documents and materials shall be recorded and reported accurately and clearly, and their contents shall not be arbitrarily altered.

(2) Information relevant to decision-making shall be reported to or shared with superiors and the heads of the departments concerned in a timely manner and without distortion.

(3) All documents and materials (including electronic information) shall be recorded and managed by the method and for the retention period designated by the Company.

(4) Distortion of management information shall be regarded as a serious violation of ethical management and, when discovered, shall be reported immediately to the Ethical Management Team.

Article 35 [Dual Employment and Concurrent Positions]

(1) Officers and employees shall not hold a position as an officer or employee of another company (prohibition of dual employment), except with the Company's prior approval.

(2) No one may concurrently perform duties for another company without the Company's permission.

Article 36 [Political Involvement]

(1) Officers and employees may express their political views in a personal capacity, but shall ensure that their personal views are not mistaken for those of the Company.

(2) The Company's organization, funds, personnel, facilities and the like shall not be provided to any candidate, political party or politician for political purposes. However, the rental of facilities and the like for non-political purposes shall follow the prescribed procedures.

Chapter 6 Reporting of Unethical Conduct and Rewards

Article 37 [Basic Direction]

(1) Operation of a reporting system for unethical conduct, open to all officers and employees and external Stakeholders

1. Reports of irregularities of any kind are received from officers and employees and from external Stakeholders related to the Company.
2. As a rule, reports shall be made under the reporter's real name; however, even an anonymous report may be investigated where the evidence is clear or harm to the Company is a concern.

(2) A reward may be paid where the report relates to the receipt of Money or Valuables or results in increased revenue or reduced losses for the Company.

(3) In the case of voluntary self-reporting, liability may be reduced, but no reward shall be paid.

Article 38 [Reportable Matters]

Any conduct in violation of the provisions of these Guidelines in connection with the following shall be reportable:

(1) Receiving or offering excessive benefits from or to Stakeholders

(2) Improperly transacting with the Company in the name of a related person

(3) Joint investment, joint acquisition of property, and lending or borrowing of money or other assets with Stakeholders

(4) Unlawful removal or use of Company assets

(5) Leakage of personal information

(6) Pursuit of private gain using one's position or the Company's non-public information

(7) Disclosure of non-public information

(8) Unreasonable discrimination

(9) Wasting costs through distortion of business results or improper budget execution

(10) Neglect of duty, negligent supervision, acting beyond authority and unfair trade practices

(11) Undermining the organizational atmosphere by spreading rumors or other false information, thereby damaging the corporate image or defaming particular officers or employees

(12) Unjust enrichment related to one's duties, such as bribery, receipt of Money or Valuables or Entertainment, embezzlement and breach of trust

(13) Leakage of trade secrets, information protected under the Personal Information Protection Act and customer-related information

(14) Sexual harassment and sexual conduct or expressions

(15) Any other job-related irregularity, misconduct or loss of dignity on the part of officers and employees, and any conduct that damages the Company's image

Article 39 [Reporting and Handling Procedures]

(1) Reporting methods

1. Reporting in person to the auditor
2. Reporting via the ethical management e-mail (ethics@kido.co.kr)
3. Reporting by post, telephone, fax or other means

(2) Handling procedure

1. Receipt of report and verification of facts: the Ethical Management Team shall verify the facts as quickly as possible after receiving a report.
2. Reporting and audit: (a) the reported matter and the findings of fact shall be reported to the Head of the Ethical Management Team; and (b) an audit of the reported matter shall be conducted, taking into account the severity of the misconduct and other factors.
3. Handling of results: requests by the Ethical Management Team for follow-up action shall be made in accordance with the Internal Audit Procedure Manual.
4. Internal closure: where, after careful review of the report, the misconduct is judged to be minor and an audit to be of no practical benefit, the case shall be closed with internal approval.

Article 40 [Protection of Internal Whistleblowers]

(1) The Ethical Management Team shall guarantee the anonymity of Internal Whistleblowers, and where a whistleblower's identity is exposed through an error of the Ethical Management Team, the persons responsible shall be subject to disciplinary action.

(2) Internal Whistleblowers shall not suffer any disadvantage in personnel matters or discrimination in working conditions on account of making a report, giving related statements or submitting materials.

(3) Where an Internal Whistleblower reports having suffered a disadvantage or discrimination, the Ethical Management Team shall immediately begin an investigation.

(4) Where, as a result of its investigation, the Ethical Management Team finds the Internal Whistleblower's request to be justified, it may request the company concerned to take appropriate measures to protect the reporter's status. In such a case, the company and department receiving the corrective request shall comply unless there are justifiable grounds not to.

(5) Where an Internal Whistleblower's identity is exposed by a person outside the Ethical Management Team, the Ethical Management Team may request the person with disciplinary authority to take disciplinary action against the violator.

Article 41 [Rewards and Disciplinary Action]

(1) Where a report brings a significant financial benefit to the Company or prevents a loss, the Company may recommend a reward for the person who made the report. Details necessary for internal public-interest reporting and for the protection and rewarding of reporters may be set out in separate guidelines.

(2) The Ethical Management Team shall immediately refer any officer or employee who violates these Guidelines to the Disciplinary Committee.

Article 42 [Personnel Committee]

The Ethical Management Team may request that a Personnel Committee be convened to deliberate and resolve on matters concerning rewards and disciplinary action.

Article 43 [Penalties]

(1) Where conduct in violation of the Code of Ethics is discovered in relations with Stakeholders and confirmed to be true, the penalty provisions shall apply.

(2) Where a benefit is received from a Stakeholder and not reported in accordance with the reporting procedure, the penalty provisions shall be strictly applied.

(3) A person who has not personally violated the Code of Ethics but who, knowing of a violation, has aided or condoned it shall also be subject to penalties.

(4) The level of penalty shall be determined according to the seriousness of the matter and imposed in accordance with the procedures of the Personnel Regulations.

Article 44 [Follow-up Measures for Violators of the Code of Ethics]

(1) A Partner Company registered as having been involved in fraud or corruption shall not be permitted to enter into any transaction with KIDO.

(2) A company that employs a person who has been disciplined by KIDO in connection with fraud or corruption shall likewise not be permitted to enter into new transactions with KIDO after the current contract ends. However, where continued business is recognized as unavoidable, the approval of the Chief Executive Officer must be obtained.

Chapter 7 Supplementary Provisions

Article 45 [Relationship with Other Regulations]

These Guidelines shall take precedence over other regulations of the Company.

Article 46 [Attachments]

(1) (Attached Form 1) Pledge of Ethical Management Practice