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# **Anti-Corruption Policy**

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Young Poong Co., Ltd.

Internal Audit Team

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# I . Purpose and Basis

## 1. Purpose of the Policy

Youngpoong establishes this Anti-Corruption Policy to practice ethical corporate management and proactively prevent and manage all forms of corruption risk, upholding transparency and fairness as core values in all relationships with employees and stakeholders.

Through this, the company aims to comply with relevant domestic and international laws and regulations (including the Act on the Prohibition of Improper Solicitation and Graft, the UN Convention against Corruption, and the OECD Anti-Bribery Convention), secure deep trust from stakeholders, and solidify the foundation for sustainable growth.

## 2. Legal Basis

The Company faithfully complies with the laws and regulations of the Republic of Korea and internationally ratified conventions related to anti-corruption. Specifically, this Policy includes, but is not limited to, the domestic laws and international standards specified in [Appendix 1], and comprehensively applies all relevant laws, regulations, and standards.

## 3. Scope of Application

### 1) Applicable Subjects

- ① All employees of the Company (including regular, contract, and temporary employees)
- ② Affiliated companies and other legal entities over which the Company exercises substantial control
- ③ Third parties acting on behalf of the Company (agents, consultants, intermediaries, etc.)

2) **Applicable Acts** : All business activities and work-related acts of the Company (domestic and international)

## II. Anti-Corruption Principles and Standards

### 1. Basic Principles

All employees shall adhere to the following basic principles to foster a fair and transparent work environment.

- 1) **Integrity** : Perform duties correctly and honestly in accordance with laws, regulations, and ethical standards, without compromising personal interests.
- 2) **Transparency** : All work processes and outcomes must be transparently disclosed and explainable in accordance with relevant laws and regulations.
- 3) **Accountability** : Recognize responsibility for one's actions and decisions, clearly explain the consequences, and implement follow-up measures.

### 2. Prohibition on Receiving Money or Gifts

#### 1) Regardless of Relevance to Duties or Quid Pro Quo Nature

The provision or receipt of money, gifts, or other benefits from any stakeholder is strictly prohibited as a fundamental principle.

#### 2) Exceptions (Applied within socially acceptable norms)

The acceptance of money or valuables is prohibited except in cases exceptionally permitted by relevant laws and regulations or social norms.

- ① Food, gifts, etc., for the purpose of smooth job performance, socializing, or ceremonial occasions
- ② Money or valuables related to celebrations or condolences,
- ③ Souvenirs or promotional items intended for distribution to the general public

### 3. Restrictions on Rebates and Improper Benefits

#### 1) All forms of improper benefit provision and receipt are prohibited.

However, exceptions are made for sales incentives, fees, commissions, etc., that are transparently documented and have a reasonable business purpose in accordance with normal commercial practices.

#### 2) Transaction-related discounts and compensation must be handled transparently through explicit and lawful procedures.

### 4. Prevention of Conflicts of Interest

#### 1) Definition of Conflict of Interest

: When performing their duties, an employee's private interests (including those of themselves, family members, relatives, friends, acquaintances, or other special

relations) conflicts with the company's interests (actual conflict of interest), may affect the objective and fair performance of duties (potential conflict of interest), or may be perceived by a reasonable third party as potentially affecting fair performance of duties.

## **2) Basic Principles and Obligations**

- ① **Company Interests First:** All employees must always prioritize the company's interests when performing their duties; personal interests or relationships must not take precedence over the company's interests.
- ② **Obligation to Avoid Conflicts of Interest:** Employees must recognize situations where conflicts of interest may arise and actively avoid them.
- ③ **Reporting Obligation:** Employees must voluntarily and promptly report (disclose) any actual, potential, or apparent conflict of interest situation they recognize, or any situation they believe may lead to such a conflict, in detail to the Audit Department following designated procedures. Even if the existence of a conflict of interest is uncertain, employees must report it first and seek consultation.

## **5. Management of Donations, Sponsorships, Contributions, and Political Funds**

### **1) Basic Principles**

The Company manages all donations, sponsorships, contributions, and politically related activities (hereinafter collectively referred to as 'donation-related activities') to ensure they are conducted transparently and ethically in accordance with relevant laws and this policy. It strictly prohibits the use of such activities as a means to gain improper business advantages, exert undue influence on public officials, or as a cover for bribery or corrupt practices.

### **2) Charitable Donations, Sponsorships, and Contributions**

#### **① Purpose and Recipients**

The Company's donation, sponsorship, and contribution activities shall aim to create public value through clear and genuine charitable purposes, contributions to community development, and the promotion of academic, cultural, artistic, and sporting endeavors. As a principle, these activities shall target non-profit organizations, public interest corporations, educational institutions, and similar entities that are legally established and transparently operated in accordance with relevant laws.

#### **② Approval Procedure**

All donations, sponsorships, and contributions must undergo thorough prior review regarding the validity of their purpose, the eligibility of the recipient organization (including reputation, activity history, and transparency of fund usage), expected

effects, and compliance with relevant laws and this policy. They must be executed only after obtaining prior approval from the authorized decision-maker as stipulated in the company's internal delegation and approval regulations. Unauthorized execution is prohibited.

### 3) Political Donations and Activities

#### ① Prohibition of Political Fund Donations

The company strictly prohibits any act of directly or indirectly providing or sponsoring political funds using company funds, assets, facilities, personnel, etc., to specific political parties, politicians (including candidates), political support groups, or other organizations or individuals with political purposes. This includes any action that could be interpreted as attempting to unduly influence the decisions of public officials or to gain unfair business advantages or privileges. The Company maintains strict political neutrality.

※ **Basis for Violation: Violation of the Political Funds Act and other relevant laws, potential bribery offense, breach of the Company's obligation to maintain political neutrality (where required by law), damage to the Company's reputation and corporate image**

#### ② Political Activities of Employees

The company respects the political beliefs inherent to each employee and their right to personal political participation (e.g., joining a political party, making legal personal political donations, volunteering) in accordance with the Political Funds Act and other relevant laws and regulations. However, all such activities must be conducted outside of working hours and in a personal capacity. Employees must not use the company's name, logo, position, or assets in this process, nor engage in any actions that could mislead others into believing their personal political views represent the company's official stance. Furthermore, personal political activities must not be coerced upon others within the workplace or disrupt the work environment.

## 6. Compliance with Accounting Standards and Internal Controls

### 1) All transactions must be transparently and accurately recorded and maintained in accounting books

: All transactions involving increases or decreases in the company's assets, liabilities, equity, and the occurrence of gains or losses must be accurately, completely, and timely recorded and maintained in the company's official accounting system based on sufficient and appropriate supporting documents (tax invoices, contracts, receipts, etc.) in accordance with relevant laws and regulations and generally accepted accounting principles (K-IFRS) immediately upon occurrence. All accounting records must be based on objective facts, avoiding arbitrary judgments or estimates, and clearly stating the basis.

※ Basis for Violation: Potential violation of relevant laws and regulations such as the “Act on External Audit of Corporations, etc.” (External Audit Act) and the “Commercial Act” ; obstruction of internal and external audits; undermining the reliability and transparency of financial statements; increased likelihood of delaying or concealing the detection of fraud or errors; leading to misjudgment by management and distortion of decision-making by stakeholders (shareholders, investors, creditors, etc.).

## **2) Prohibition of illegal/fraudulent accounting practices such as slush fund creation and off-book transactions**

: Employees shall not engage in slush fund creation, off-book transactions, concealment of assets/liabilities, fictitious transactions, window dressing (false recording of revenue/expenses or deferral/acceleration), or forgery/alteration of related documents for the purpose of creating or using illegal funds (e.g., bribes, embezzlement, breach of trust) or to conceal such activities. concealment or omission of assets/liabilities, recording fictitious transactions, window dressing (false recording of revenue/expenses or deferral/acceleration of recognition), or forging/altering related documents.

※ Basis for Violation: Serious violations of accounting standards and relevant laws (External Audit Act, Commercial Act, Act on Aggravated Punishment of Specific Economic Crimes, etc.), grounds for aggravated criminal liability such as embezzlement, breach of trust, or fraud in the course of business, violations of the Tax Crimes Punishment Act (tax evasion), and the execution or concealment of corrupt acts.

# **III. Code of Conduct and Case-Specific Guidelines**

All employees shall adhere to the principles outlined in this policy and strictly follow the following code of conduct and case-specific guidelines to make sound judgments in various situations that may arise in the actual work environment.

## **1. Employee Conduct Guidelines**

All employees shall adhere to the following conduct guidelines to uphold the company's ethical values.

- 1) Fair and honest performance of duties
- 2) Avoidance and reporting of conflicts of interest
- 3) Prohibition of accepting money or valuables
- 4) Protection of company assets and information management
- 5) Prohibition of unfair practices
- 6) Reporting obligations and cooperation

## **2. Case-Specific Behavioral Guidelines**

Provides concrete guidelines to help employees make clear judgments when facing corruption risks during work.

### **1) Acceptance of Money and Gifts**

- ① Meals provided for smooth job performance, valued at 50,000 won or less per person, may be accepted.

- ② General gifts may be accepted up to 100,000 won; agricultural, fishery, and processed goods gifts may be accepted up to 300,000 won (during special periods like holidays).
- ③ If a gift unavoidably exceeds the standard, it must be returned immediately or reported to the company and handled according to proper procedures.
- ④ All receipt of money or valuables must be transparently recorded and reported.
- ⑤ Under no circumstances shall any monetary benefit, securities, real estate, or other economic advantage be requested or received in connection with duties, regardless of whether it involves quid pro quo.
- ⑥ Do not accept high-value gifts or excessive hospitality (golf, entertainment, etc.) that are not socially acceptable.
- ⑦ Do not attempt to receive money or valuables indirectly through third parties.
- ⑧ No money or valuables of any kind shall be exchanged in situations related to specific duties, such as promotions, permits, licenses, or bidding.

## **2) Entertainment and Special Occasions**

- ① Meals of modest value may be provided or accepted in public places within the scope of business-related discussions.
- ② For special occasions, congratulatory/condolence gifts of up to 100,000 KRW or floral wreaths/arrangements of up to 200,000 KRW may be given. (Combined gifts up to 300,000 KRW are permitted)
- ③ Company-branded souvenirs or promotional items (under 100,000 KRW) may be distributed to the general public.
- ④ Do not exchange high-value gift certificates, department store gift cards, or other securities-type gifts provided exclusively to specific individuals.
- ⑤ Do not exchange excessive entertainment or congratulatory/condolence money based on personal relationships unrelated to business.
- ⑥ Do not exchange entertainment linked to personal favors, such as requests for children's employment.

## **3) Conflict of Interest**

- ① If there is a possibility of transactions with a company involving oneself, family members, or relatives, report the details to the Audit Department in advance and be excluded from the work.
- ② If the conflict of interest situation is unclear, first consult with the Audit Department and request advice.

- ③ Do not privately use or disclose to third parties any undisclosed information learned during the performance of duties.
- ④ Do not manipulate transaction terms or provide preferential treatment to companies operated by family members or relatives to grant them unfair advantages.
- ⑤ Do not use your position to grant unfair hiring favors or exert pressure on family members, friends, or others.
- ⑥ Do not engage in financial transactions such as stock trading using undisclosed information that could influence stock prices, nor provide such information to others.
- ⑦ Do not use company assets for personal purposes or conduct private activities in the company's name.

#### **4) Charitable Donations, Sponsorships, and Contributions**

- ① Donations, sponsorships, or contributions to organizations with unclear founding purposes or activities, or suspected of misappropriating funds, are prohibited without sufficient prior review.
- ② Arbitrary donations using departmental expenses without following the company's official approval procedures, or falsifying or omitting donation details in accounting records, are prohibited.
- ③ Issuing false donation receipts to improperly process company expenses for donations that were not actually made is prohibited.

#### **5) Political Donations and Activities, Political Activities of Employees**

- ① Using company funds (official or slush funds) to pay party dues or contributions for a specific political party, or to support a politician's election campaign funds, is prohibited.
- ② Using the company's advertising, sponsorship, or similar formats to effectively support specific political activities or groups is prohibited.
- ③ Coercing or pressuring employees to donate political funds to specific parties or candidates, join support groups, or using employees' names to make donations on the company's behalf is prohibited.

#### **6) Misuse of Information and Assets**

- ① Company corporate cards shall be used solely for business-related purposes and shall not be used for any personal expenses such as meals, entertainment,

shopping, or family dining. All usage must be transparently documented and thoroughly recorded.

- ② All company assets, including equipment, facilities, and vehicles, shall be used solely for business purposes. Prior approval must be obtained for any private use. Office supplies or equipment shall not be removed from the premises without authorization or used for personal gain.
- ③ Work hours shall be dedicated to performing company duties. Personal matters (such as stock trading, shopping, gaming, or social media) shall be handled outside of working hours.
- ④ Information stored in company systems shall not be copied, distributed, deleted, or leaked externally for personal purposes without authorization.
- ⑤ The company's human resources or intellectual property rights shall not be used for activities pursuing personal gain.

## **7) Accounting Records and Internal Controls**

- ① It is prohibited to record amounts that are overstated or understated compared to the actual transaction details.
- ② It is prohibited to arbitrarily alter and record transaction dates, counterparties, account titles, or other details differently from the facts.
- ③ It is prohibited to falsely recognize revenue when a transaction is not completed or the conditions for revenue recognition are not met.
- ④ Intentionally omitting incurred expenses or losses, or deferring them to the next fiscal year to inflate current-period profits, is prohibited.
- ⑤ Creating fictitious transactions or processing expenses without legitimate and qualifying supporting documents such as tax invoices, contracts, or receipts is prohibited.
- ⑥ Submitting forged or altered supporting documents to process personal expenses as company expenses is prohibited.
- ⑦ Arbitrarily modifying or deleting accounting records without following approved accounting policies or procedures is prohibited.

## **8) Prohibition of Illegal and Fraudulent Accounting Practices such as Slush Fund Creation and Off-Books Transactions**

- ① It is prohibited to create slush funds by diverting company funds through methods such as using false tax invoices without actual transactions or inflating transaction amounts paid and then receiving refunds.
- ② It is strictly prohibited to transfer company funds to personal accounts or accounts under borrowed names and then fail to record them in official accounting books.
- ③ Manipulating the company's financial condition to appear favorable by falsely recording impaired assets as sound assets or omitting incurred liabilities from the books is prohibited (cooking the books).

- ④ Paying bribes or illegal rebates and concealing them by disguising them as legitimate expense items such as consulting fees or advertising expenses, and preparing false supporting documents, is prohibited.
- ⑤ It is prohibited to recognize revenue prematurely after the accounting period closes or defer incurred expenses to the next quarter to inflate management's performance.
- ⑥ It is prohibited to conduct off-the-books transactions, such as selling or pledging significant assets as collateral, without the company's formal approval and recording procedures.

## **9) Compliance with and Enhancement of Internal Accounting Management Systems**

- ① It is prohibited for unauthorized individuals to approve transactions or execute funds in violation of established approval authority regulations.
- ② In areas where the principle of segregation of duties applies (e.g., separation of transaction requester/approver/executor/recorder), it is prohibited for one person to simultaneously perform multiple roles.
- ③ Performing internal control activities (e.g., cash counts, inventory counts, bank statement reconciliations, fixed asset counts) required on a regular basis in a perfunctory manner or omitting them is prohibited.
- ④ Abusing system access privileges or misusing another person's account to circumvent control procedures within the internal accounting management system is prohibited.
- ⑤ Concealing or neglecting deficiencies in the internal accounting management system or operational problems discovered, without reporting them through proper procedures, is prohibited.
- ⑥ Refusing or delaying requests for submission of materials or inquiries related to the internal accounting management system by internal auditors or external auditors without justifiable reason, or submitting false materials or making false statements, is prohibited.

## **10) Management of Business Partners and Third Parties**

- ① Conducting ethics and corruption risk assessment procedures in a perfunctory manner or intentionally omitting them to select unqualified entities as business partners is prohibited.
- ② Selecting specific entities as business partners by granting preferential treatment based on personal connections or external solicitations without objective criteria is prohibited.
- ③ Omitting or arbitrarily modifying the insertion of standard anti-corruption clauses in contracts without justifiable reason or internal approval is prohibited.
- ④ Failing to exercise due diligence or termination rights specified in the contract without justifiable reason, despite suspicion of clear corrupt practices by a business partner, is prohibited.

## IV. Reporting System and Protection Policy

《Reports of corruption and conflicts of interest are handled through the Shinmun-go system.》

All employees have an obligation to actively report any corrupt practices or conflicts of interest they become aware of through the company's designated reporting system. The company prioritizes protecting the identity and confidentiality of whistleblowers and will not tolerate any adverse treatment or retaliatory actions.

### 1. Reporting Corrupt Acts: Whistleblower System

The company operates a 'whistleblower system' to encourage reporting of corrupt acts. This system contributes to fostering a transparent and ethical organizational culture by clearly defining internal reporting procedures for employee corruption and protecting whistleblowers.

#### 1) Reportable Acts

- ① Acts where an employee abuses authority related to their duties or violates regulations to seek personal or third-party benefit.
- ② Acts that cause financial loss to the company by violating regulations in the management/disposal of company assets or in the execution of contracts related to their duties.
- ③ Acts of coercing, recommending, proposing, or inducing the above acts or their concealment.
- ④ Acts violating the Employee Code of Ethics, such as using budgets for non-designated purposes or using company property for personal gain.

#### 2) Reporting Methods

- ① Online Reporting via the Company Website: Reports should primarily be submitted through the online reporting section on the company website. The reporter's personal information, the details of the report, and the subject of the report must be provided. Both employees and external parties may file reports.
- ② Mail or In-Person Reporting: Reports may be submitted by mailing them to the Audit Department or by visiting the department in person after making an appointment.
- ③ Submission of Supporting Evidence: Supporting evidence substantiating the report must be submitted alongside the report. However, in urgent cases, the facts may be reported first, with supporting evidence supplemented later.

### 3) Handling of Reports

- ① Investigation of Reports: Audit personnel assigned to the Audit Department shall complete investigations within 30 days of receipt as a general rule.
- ② Investigation Process: Investigators shall verify the factual details of the report and take necessary measures, such as securing evidence and identifying witnesses.
- ③ Notification of Investigation Results: Investigation results may be announced or circulated for all employees to be aware of, excluding personal information breaches and company confidential matters.

2. **Whistleblower Protection Policy** : The company operates the following protection program to ensure whistleblowers can report concerns without fear of retaliation.

#### 1) Identity Protection and Confidentiality

- ① **Identity Protection** : Whistleblowers shall not suffer any adverse employment actions or discrimination related to their reporting. Should any adverse action occur, the whistleblower may request the Audit Department to restore their position or otherwise guarantee their status. Individuals responsible for such adverse actions may face disciplinary measures.
- ② **Confidentiality** : Employees who learn a whistleblower's identity through their duties or by chance are prohibited from disclosing or implying that identity. Employees are prohibited from inquiring about a whistleblower's identity or conducting inquiries to identify them.
- ③ **Personal Protection** : If a whistleblower requires protection due to identity exposure, they may request personal protection from the Audit Department. Individuals threatening the whistleblower's safety will be investigated immediately, followed by disciplinary action or prosecution.
- ④ **Prohibition of Retaliation** : If a whistleblower experiences retaliation from the reported party, they must immediately notify the Audit Department. The Audit Department shall promptly investigate and take necessary measures.

#### 2) Protection for Cooperating Individuals and Reported Individuals

- ① Employees who cooperate in investigating the report receive the same protection as the reporter.

#### 3) Liability Reduction and False Reporting

- ① Liability Reduction: If an employee voluntarily reports their own corrupt acts, disciplinary actions or other penalties may be reduced or waived.
- ② False Reporting: Individuals who make false reports or report under another person's name will not receive protection and may face disciplinary actions or other necessary measures.

### **3. Education and Promotion**

The Audit Department shall conduct regular and systematic education and promotional activities to enhance employees' understanding of anti-corruption policies and the whistleblowing system.

#### **1) Educational Activities**

- ① Regular Training: Conduct training on anti-corruption policies and the whistleblowing system at least once annually for all employees.
- ② New Hire Training: Include training on anti-corruption policies, standards prohibiting the acceptance of money or valuables, principles for preventing conflicts of interest, and the use of the whistleblowing system along with whistleblower protection regulations in the mandatory initial training program for new hires and experienced hires.
- ③ Training Methods: Training utilizes various methods, including group training, online training, and written training, to maximize effectiveness.

#### **2) Publicity Activities and Incentive System**

- ① Whistleblower System Promotion: To encourage active participation from employees, the company continuously promotes the existence of the whistleblower system, its usage methods, and whistleblower protection regulations through the company website, intranet, bulletin boards, and other channels.
- ② Sharing Corruption Cases: Corruption cases are periodically included in training and publicity activities to heighten employees' vigilance and remind them of ethical awareness.
- ③ Whistleblower Incentives: Actively encourage reporting by rewarding whistleblowers who contribute to eradicating corrupt acts through the whistleblower incentive program.

### **4. Conflict of Interest Reporting**

Employees must voluntarily report any conflict of interest situation they recognize or deem likely to occur to the Audit Department following designated procedures.

- 1) Reporting Method: Submission via company email is the standard method; in urgent cases, verbal reporting may be made first.
- 2) Reporting Content: The report must include the reporter's personal details along with a specific description of the conflict of interest situation, related private interests, information about the other party, and potential impacts
- 3) Reporting Timing: Reporting should be made immediately upon recognizing the conflict of interest situation or, as a rule, before performing the related duties.
- 4) Investigation and Evaluation: The Audit Department investigates reported matters considering urgency and severity, and all processes are managed confidentially.

# V. Management of Business Partners and Third Parties

## 1. Basic Principles

Youngpoong expects and requires all business partners and third parties (including agents, consultants, contractors, suppliers, and all external entities and individuals acting on behalf of or transacting with the company, hereinafter collectively referred to as ‘business partners’) to adhere to the same high ethical standards as the company and to respect anti-corruption laws and regulations and this policy. The Company shall make reasonable and proportionate efforts to identify, assess, and manage corruption risks that may arise in its relationships with Business Partners.

## 2. Selection and Management of Business Partners

### 1) Selection Criteria

When selecting new business partners, in addition to general business viability assessments such as price, quality, and technical capability, we conduct a comprehensive review that includes important evaluation criteria such as the partner’s ethical standards, transparency, possession and implementation of anti-corruption policies, and potential corruption risks (including past corruption history, reputation, and location in high-risk countries). Particularly for partners deemed to pose higher corruption risks (e.g., high-risk transaction types, companies located in high-risk countries), enhanced criteria and due diligence procedures are applied.

### 2) Policy Disclosure and Compliance Requirements

Prior to contract execution or at the commencement of transactions, clearly disclose to all business partners the anti-corruption policy of Bupyeong (or a summary of its key provisions, code of conduct, etc.), requiring them to fully understand the policy’s contents and strictly comply with them throughout the transaction process. If necessary, a written pledge of compliance with this policy and relevant laws and regulations may be obtained from the business partner.

## 3. Contract Management

### 1) Mandatory Anti-Corruption Clauses

As a standard practice, all contracts with major business partners (including standard contracts) shall include anti-corruption clauses containing the following provisions.

Furthermore, the company may require new or existing business partners to sign an ‘Anti-Corruption Pledge’ to ensure transparent and fair supply chain management. This procedure secures an explicit commitment from business partners to understand and adhere to Youngpoong’s ethical standards and anti-corruption principles, thereby contributing to reducing corruption risks throughout the supply chain.

- ① Acknowledge and comply with Youngpoong's anti-corruption policy and relevant domestic and international laws (including those against bribery, corruption, and money laundering).
  - ② Neither offer nor accept any form of bribe or improper benefit, directly or indirectly, in connection with contracts.
  - ③ Accurately and transparently prepare and maintain all accounting records related to contract performance.
  - ④ Agree to and cooperate with reasonable due diligence measures, such as requests for submission of relevant materials, interviews, or on-site inspections, conducted by Youngpoong or a third party designated by Youngpoong (e.g., accounting firm) to verify compliance with anti-corruption regulations, when deemed necessary by Youngpoong based on reasonable judgment.
  - ⑤ If a violation of this anti-corruption clause or relevant laws and regulations is confirmed or reasonably suspected, Youngpoong may immediately terminate the contract or suspend transactions.
- ※ Grounds for Violation: Failure to fulfill contractual obligations, negligence in managing corruption risks, aiding potential regulatory violations

#### **4. Third-Party Risk Assessment & Due Diligence**

The company conducts due diligence to identify and mitigate corruption risks associated with business partners.

##### **1) Scope and Frequency**

Third parties performing external tasks on behalf of the Company (particularly tasks involving government agencies or public institutions) or providing critical services to the Company, especially those deemed high-risk for corruption (e.g., overseas sales agents/brokers, M&A advisors, licensing consultants, customs brokers, partners located in high-risk countries, etc.) prior to contract execution and periodically during the contract term (e.g., every 1-3 years, upon contract renewal, or upon detection of risk signals). The scope, method, and frequency of due diligence are applied differentially based on the results of the risk assessment.

##### **2) Due Diligence Procedures and Content**

Due diligence may be conducted based on the risk level of the target third party through methods such as requesting questionnaire completion, reviewing public information (media reports, litigation records, etc.), conducting reputation checks, requesting certificates/documentation submission, interviewing relevant parties, utilizing external specialized agencies when necessary, or conducting on-site visits. It shall verify and validate the following matters:

- ① Identity, business history, and reputation of the third party and its beneficial owner.
- ② History of involvement in past corrupt acts, related investigations, lawsuits, or sanctions.
- ③ Qualifications, expertise, business execution capability, and financial soundness

necessary for performing the relevant work.

- ④ The existence and operation of anti-corruption policies, internal control systems, and employee training programs.
- ⑤ The reasonableness, transparency, and compliance with market practices of the proposed contract terms and compensation payment methods.
- ⑥ The existence of any inappropriate relationships with public officials or others related to the third party or its employees.

### **3) Monitoring and Risk Mitigation Management**

The risk level identified through due diligence is comprehensively evaluated to determine whether to enter into or maintain a contract with the relevant third party. Even if a decision is made to enter into (or maintain) a contract, risk mitigation measures (e.g., strengthening anti-corruption clauses in the contract, requiring additional undertakings or certificates, mandating anti-corruption training, enhancing transaction monitoring, clarifying compensation payment conditions, etc.) are requested or an implementation plan is established and reviewed to reduce the identified risks to an acceptable level. If significant corruption risks are identified and effective mitigation measures are deemed impossible, the company may refuse to enter into the contract or immediately terminate an existing contract.

The company may assess the corruption risk level of business partners as outlined in Appendix 3 and apply differentiated risk mitigation measures and transaction restrictions based on the results.

## **5. Other External Stakeholders**

### **1) Relationships with Public Officials, etc.**

All business-related contacts and activities with employees and other ‘public officials, etc.’ (persons subject to the Anti-Graft Act) of government ministries, local governments, public institutions, media companies, etc., shall be conducted transparently and fairly in strict compliance with relevant laws and regulations (particularly the Anti-Graft Act) and this Policy (particularly Chapter 2, Article 2: Prohibition on Receiving Money, Gifts, etc.). Any form of improper solicitation or provision of money, valuables, etc., exceeding legal limits is strictly prohibited. All interactions shall, as a rule, maintain relevant records.

### **2) Community Contribution Activities, etc.**

All forms of community contribution and social value creation activities undertaken by the company—including the execution of donations, sponsorship activities, and academic support—must be carried out fairly according to transparent procedures and objective criteria.

## VI. Education

### 1. Purpose and Obligation of Education

The company shall continuously operate effective education and awareness programs to ensure all employees clearly understand the contents of this Anti-Corruption Policy, relevant laws and regulations, and their ethical responsibilities, and can comply with them in their actual work.

### 2. Target Audience and Frequency of Education

- 1) **All Employees** : All employees (including regular, contract, and dispatched workers—anyone performing duties under the Company’s direction and supervision) must complete mandatory anti-corruption training at least once annually.
- 2) **New Hires** : All new hires must complete mandatory training upon joining the Company. Employees promoted to positions above a certain level may additionally complete advanced training related to their position’s risk management responsibilities.
- 3) **Ad Hoc Training** : When deemed necessary, such as in cases of policy revisions or major violations, ad hoc training may be conducted for relevant employees or all employees..

### 3. Training Content and Responsibility

- 1) **Training Content** : Training content shall be customized considering job characteristics and risk levels, and shall include the core requirements of this policy, domestic and international anti-corruption laws and regulations, and analysis of actual violation cases.
- 2) **Training Methods** : To maximize training effectiveness, various methods such as online and in-person training may be utilized. Customized advanced training may be provided for employees in high-risk positions.
- 3) **Training Record Management and Responsibility** : The training department shall accurately record and manage the training completion status of all employees. Failure to complete mandatory training without a valid reason, or completion through fraudulent means, shall be considered a policy violation and may result in relevant disciplinary action.

## VII. Internal Audit Activities and Corruption Risk Management

### 1. Overview of Corruption Risk Assessment

Youngpoong systematically identifies, analyzes, and evaluates corruption risks inherent across all corporate management activities to establish effective prevention and control measures.

- 1) **Purpose** : The purpose is to establish an anti-corruption system optimized for the company's business characteristics and environment, and to proactively manage potential risks by identifying them in advance.
- 2) **Frequency** : Evaluations are conducted annually on a regular basis. Ad hoc evaluations are performed when significant changes occur in the business environment, such as entering new markets, regulatory tightening, or the occurrence of major misconduct.
- 3) **Evaluation Body** : The Audit Department leads the evaluation, actively incorporating input from relevant business departments (Purchasing, Sales, Overseas Operations, Production, etc.) and external experts.
- 4) **Evaluation Method** : Both qualitative (expert interviews, surveys, etc.) and quantitative (analysis of past misconduct cases, financial data analysis, etc.) methods are used concurrently to ensure the objectivity and reliability of the evaluation.

### 2. Identification of High-Risk Areas and Key Audit Plan

Youngpoong identifies corruption types and specific acts classified as 'High Risk Level' in the risk matrix assessment as high-risk areas, and establishes and implements a special key management plan for them. Considering Youngpoong's business characteristics, the following are classified as permanent high-risk areas: bribery (receiving/giving), rebates, embezzlement/fraud, improper transactions related to conflicts of interest, unfair competition practices such as collusion, and leakage of core information. Identified high-risk areas are prioritized in the internal audit plan, and the following key management and audit activities are performed:

- 1) **Strengthening Internal Controls and Audits**: Periodically review internal control procedures for identified high-risk areas and further tighten principles such as

segregation of duties, decision-making authority regulations, and approval procedures. Focus control management particularly on high-risk functions including purchasing, sales, overseas operations, finance, and planning departments.

- 2) **Shortening Monitoring and Audit Cycles:** Reduce the frequency of regular audits and monitoring cycles for high-risk areas. Activate immediate ad hoc inspections upon detecting any abnormal signs, and the audit department shall regularly report the results to the Board of Directors (or Audit Committee).
- 3) **Enhanced Training:** Conduct customized, in-depth training at least once a year for relevant employees (especially purchasing/sales personnel and employees with high corporate card usage) to heighten risk awareness and encourage compliance. The audit department manages training completion status and verifies training implementation during audits.
- 4) **Enhanced Third-Party Due Diligence:** Mandate in-depth Third-Party Due Diligence for all business partners related to high-risk areas prior to contract execution and periodically thereafter, requiring explicit contractual notation. The audit department audits the adequacy and implementation of these due diligence procedures.
- 5) **Red Flag Management:** Clearly define specific red flags that may arise in high-risk areas (e.g., abnormal expense patterns, unreasonable contract terms, excessive preferential treatment demands for specific individuals, increased cash transactions, etc.). Upon detecting such signals, activate immediate reporting and investigation procedures. The audit department examines the operational effectiveness of this red flag detection system.
- 6) **Implementation of Technical Controls:** Where necessary, introduce data analytics and AI-based risk detection technologies to build systems that automatically detect and analyze abnormal transaction patterns or behaviors, thereby strengthening proactive response capabilities. The Audit Department evaluates the effectiveness of these systems and recommends improvements.
- 7) **Clarification of Responsibilities and Audit Cooperation Obligation:** Clearly designate management responsible for each high-risk area and require regular reporting on risk management status and implementation of improvement measures to strengthen accountability. All employees must cooperate sincerely with the Audit Department's legitimate audit activities (e.g., document submission, interviews). Any act of obstruction or refusal is considered a serious policy violation and grounds for disciplinary action.

## VIII. Ensuring the Independence and Operation of the Audit Organization

### 1. Principle of Independence of the Audit Organization

- 1) The audit organization maintains independence from management and audited departments in all its operations, ensuring the objectivity and fairness of audit activities.
- 2) The audit organization receives no improper instructions or interference regarding audit work and reports directly only to the Audit Committee.

### 2. Independence in Personnel and Compensation for Audit Personnel

- 1) Audit Committee Deliberation and Approval: Key personnel decisions, such as the appointment and dismissal of audit executives and the head of the audit department, are made through prior deliberation and approval by the Audit Committee.
- 2) Routine Personnel Matters: Routine personnel actions for audit department members, such as transfers, promotions, and salary adjustments, shall generally follow the company's standard personnel procedures.
- 3) Measures in Case of Independence Violation: However, if significant disadvantage or a risk of independence violation arises for audit personnel, the head of the audit department may report to the Audit Committee and request action.
- 4) Performance Evaluation: Performance evaluation of the audit department is conducted independently according to separate evaluation criteria established by the Audit Committee, distinct from the evaluation criteria for general departments.

### 3. Independence of Audit Activity Budget and Expenditures

The routine administrative operating budget follows the company's general budget management procedures. If concerns arise regarding potential impairment of audit independence, the Audit Department may report to the Audit Committee and request action. Furthermore, if unexpected audit activities necessitate additional budget, the Audit Department may request and obtain approval from the Audit Committee before execution.

### 4. Other Treatment Management

An optimal working environment necessary for performing audit duties (e.g., secure office space, latest audit tools and systems) is provided. Furthermore, additional support required due to the special nature of audit work may be provided with the approval of the Audit Committee.

### 5. Qualification Standards and Enhancement of Professional Competence for Audit Personnel

Audit executives and the head of the audit department must meet fair and objective qualification standards in accordance with relevant laws and internal regulations. In particular, the principle is to select and cultivate personnel who

possess job expertise, ethical integrity, and independence. The company continuously implements training and investments to enhance professional competence in order to maintain the quality level of audit work.

## IX. Procedures and Sanctions for Policy Violations

### 1. Basic Principles

Violations of any provision of this policy will not be tolerated. The company may investigate all allegations of violations through fair and objective procedures and take appropriate actions. During this process, the right to make statements and the right to defend oneself for relevant employees and officers shall be guaranteed. The identity of whistleblowers shall be strictly protected in accordance with relevant laws and regulations and this policy (refer to IV. Reporting System and Protection Policy). Under no circumstances shall any disadvantage or retaliatory action be taken against individuals for reporting or cooperating with investigations.

### 2. Violation Handling Procedure

Acts suspected of violating this policy shall be handled according to the following procedure.

#### 1) Report Receipt and Recognition

- ① Employees must immediately report any suspected or recognized violations of this policy through the reporting system.
- ② The Audit Department shall formally record and receive reports of suspected policy violations through reports, internal audits, external tips, etc.

#### 2) Conducting the Investigation

- ① The Audit Department shall promptly conduct an independent and objective investigation into the received matter.
- ② The investigation process may include reviewing relevant documents, analyzing data, and interviewing relevant employees; all employees have a duty to cooperate sincerely with the investigation.
- ③ The Audit Department is the primary investigator and may seek support from external experts as necessary.

#### 3) Confirmation and Evaluation of Violations

- ① The Audit Department objectively confirms the existence of policy violations based on the investigation results.
- ② If a violation is confirmed, it comprehensively evaluates the severity of the act, the degree of intent or negligence, the resulting impact, the level of involvement, past similar cases, and the potential for improvement.

#### 4) Determination of Action

- ① Based on the findings and evaluation, the audit department may decide on or request the relevant departments (e.g., HR) to take necessary actions corresponding to the following:
- ㉗ Conflict of interest management measures (see Section 4 of this chapter), ㉘ Disciplinary actions, ㉙ Requests for corrective actions and instructions to establish recurrence prevention measures, ㉚ Review of legal actions such as claims for damages or criminal complaints (See Section 5 of this chapter)

### 3. Disciplinary Actions

#### 1) Types of Disciplinary Actions

Disciplinary actions for misconduct by employees shall be applied in accordance with the 「Labor Standards Act」, the company's employment rules, and personnel-related regulations. The types are as follows:

- ① Dismissal: The most severe disciplinary action, terminating the employment contract.
  - ② Suspension without Pay: A disciplinary action where the employee is prohibited from performing duties for a specified period and is not paid compensation.
  - ③ Salary Reduction: A disciplinary action involving the reduction of a fixed amount of compensation for a specified period.
  - ④ Reprimand: A disciplinary action involving pointing out the misconduct and requiring reflection.
- ※ Warning: Pointing out the misconduct and urging future caution. (Not a disciplinary action)

#### 2) Grounds for Discipline

Any violation of all provisions of this policy (including prohibitions on corrupt acts, obligations to report and manage conflicts of interest, obligations to protect assets and information, obligations to ensure accurate accounting, etc.) may constitute grounds for formal disciplinary action by the company. This specifically includes the following acts:

- ① Receiving or providing money, gifts, entertainment, or other benefits.
- ② Failing to report a conflict of interest situation when aware of it, or concealing or falsely reporting it without justifiable reason.
- ③ Failing to comply with conflict of interest management measures determined by the company without justifiable reason.
- ④ Abusing official authority to undermine fairness (e.g., unfair hiring, providing preferential treatment).
- ⑤ Misappropriating, embezzling, or breaching fiduciary duty regarding company assets.

- ⑥ Unauthorized disclosure or improper management of company confidential information.
- ⑦ Illegal or fraudulent accounting practices, such as creating slush funds or cooking the books.
- ⑧ Retaliatory acts against whistleblowers.

### **3) Disciplinary Procedures**

- ① Confirmed policy violations may be referred to an official disciplinary committee in accordance with the company's employment rules and personnel regulations to determine whether disciplinary action is warranted and its severity.
- ② The level of disciplinary action may be determined by comprehensively considering the severity of the violation, the degree of intent or negligence, the seriousness of the consequences, the level of involvement, position and responsibility, potential for improvement, and attitude toward cooperating with the investigation.
- ③ Supervisors with oversight responsibility for the violation may also be held accountable and sanctioned.

#### **※ Types and Content of Misconduct**

- ① Violation of Integrity Obligations: Receiving or offering money, valuables, etc. (bribes, improper solicitation, rebates, etc.)
- ② Improper use, leakage, or damage of company assets or information
- ③ Violation of Conflict of Interest: Failure to report or concealment after recognizing a conflict of interest; improper transactions or job performance related to the conflict
- ④ Violation of Fairness Obligations: Abuse of authority in the course of duty (unfair hiring, granting favors, etc.), collusion, or other improper joint actions
- ⑤ Retaliatory acts against protected whistleblowers

### **4. Conflict of Interest Management Measures**

If the Audit Department determines that a conflict of interest situation has been confirmed through investigation but management is needed rather than immediate disciplinary action, or as part of managing a reported conflict of interest, it may request the following measures be implemented in consultation with the HR department and relevant departments.

(These measures are separate from disciplinary actions and are intended to manage the conflict of interest situation itself.)

#### **1) Restriction of Participation in Decision-Making or Exclusion from Duties**

The employee may be completely excluded from all decision-making processes related to specific transactions, projects, contracts, personnel matters, etc., involving the conflict of interest, including discussions, evaluations, negotiations, approvals, and votes.

If necessary, duties related to the conflict of interest may be removed from the employee's scope of responsibilities.

## **2) Job reassignment or change**

If the conflict of interest situation is deemed persistent or significant, making management through participation restriction alone difficult, the employee may be temporarily or permanently reassigned to another position or department where no conflict of interest exists.

## **3) Restriction of information access**

Technical or physical measures may be implemented to prevent the employee from accessing the company's confidential or sensitive information related to the conflict of interest.

## **4) Enhanced Independent Review and Supervision**

The performance process or results of employees at risk of conflicts of interest may be subject to review by a third party (external expert or internal independent officer), or supervision and monitoring by superiors or the audit department may be strengthened.

## **5) Suspension or Modification of Transactions**

If a transaction related to a conflict of interest is deemed disadvantageous or unfair to the company, the suspension, cancellation, or modification of the transaction to fair terms may be recommended.

## **6) Establishment of Regular Monitoring Plans**

If a conflict of interest situation is managed but not fully resolved, a plan may be established to periodically review and monitor the situation and the effectiveness of the measures taken.

# **X. Policy Operation and Improvement**

## **1. Policy Operational Responsibility and Resources**

### **1) Responsible Officer and Department:**

#### **① Chief Executive Officer**

The ultimate responsible officer who ensures all internal policies, including the Anti-Corruption Policy, are effectively implemented within the organization. They demonstrate a clear commitment to anti-corruption management and provide necessary support.

#### **② Board of Directors and Audit Committee**

They bear ultimate responsibility for overseeing that the company complies with relevant laws and regulations, operates ethically, and maintains effective risk management and internal control systems (including the anti-corruption system).

### **③ Audit Department**

The Audit Department is responsible for the specific implementation and day-to-day operation of this policy (e.g., planning and executing policy training, supporting corruption risk assessments, providing guidance and consultation on related procedures, drafting policy revisions, monitoring operational status, etc.). It may establish and distribute detailed guidelines or manuals necessary for the effective operation of this policy.

### **④ All Employees and Department Heads**

All employees are responsible for understanding the contents of this policy and faithfully complying with it in their daily work. They must actively cooperate in policy operation and improvement activities (e.g., participating in training, assisting in risk identification, undergoing audits).

All department heads are responsible for guiding, managing, and supervising their staff to ensure they understand and comply with this policy.

## **2) Resource Allocation**

The company shall appropriately allocate and support necessary human resources (e.g., securing and maintaining expertise of policy personnel) and material resources (e.g., training budgets, system construction and operation costs) within reasonable limits, considering business scale and risk levels, to ensure effective policy operation, achieve anti-corruption management goals, and sustain the implementation and improvement of related systems.

## **2. Policy Review and Revision (Policy Review and Revision)**

### **1) Regular Review and Revision Procedures**

To ensure this policy aligns with rapidly changing business environments and legal regulations, and to maintain its ongoing effectiveness, validity, and completeness, the policy content and overall operational status shall be reviewed regularly at least once a year. The review may be conducted under the supervision of the Audit Department, and the final revision shall be confirmed after reporting to the Board of Directors and receiving final approval from the Audit Committee.

### **2) Reasons for Revision**

The need for policy revision shall be immediately reviewed and the revision process initiated when any of the following major reasons arise:

- ① Enactment, amendment, or repeal of domestic or international anti-corruption laws, government guidelines, or precedents
- ② Significant changes in the company's business scope, management strategy, organizational structure, governance structure, or other aspects of the business environment
- ③ Identification of new or altered significant risks through regular or ad hoc corruption risk assessments
- ④ Significant issues or improvement recommendations regarding this policy or its operation arising from internal audits, external audits (including accounting audits), or regulatory inspections
- ⑤ Discovery of interpretive ambiguities during policy operation or concerns about diminished effectiveness
- ⑥ Significant changes in anti-corruption best practices within the industry or among global companies, or in relevant international standards such as ISO 37001

## **3. Continuous Improvement**

### **1) Effectiveness Measurement and Evaluation**

The company shall regularly measure and objectively evaluate the operational

performance and effectiveness of its entire anti-corruption management system, including this policy. Effectiveness evaluation may utilize methods such as analyzing the achievement of pre-set Key Performance Indicators (KPIs), the improvement rate of internal audit findings and issues, employee awareness survey results, and analysis of the number of reports/whistleblowing cases and their handling outcomes.

## 2) Improvement Efforts

The company shall identify potential vulnerabilities in this policy and the anti-corruption management system based on the results of effectiveness measurement and evaluation, analysis of changes in internal and external management environments, benchmarking of anti-corruption best practices from domestic and international peer or leading companies, and research on trends in relevant laws and international standards. It shall strive to continuously improve these vulnerabilities.

# XI. Anti-Corruption System

## 1. Anti-Corruption Promotion

- ▶ Insert a brief introduction stating that anti-corruption policies are in operation within the Ethics Management banner on the Youngpoong website

## 2. Application of Anti-Corruption Content to Internal Controls

### ① Youngpoong Internal Accounting Management System Control (RCM)

ELC Control Number C-00.01.01-05	
Past Control Content	Revised Control Details
The company requires all employees to complete group training and online education on the company's ethical standards (including compliance training) at least once a year. The planning and timing of this training are managed by the audit department.	The company conducts mandatory training (in-person/online) on core policies (ethics, compliance, anti-corruption, human rights) at least once a year for all employees. This training is planned and executed under the supervision of the audit department.
ELC Control Number C-00.01.01-01	
Past Control Content	Revised Control Details
1. The company communicates the importance of ethical management values by posting the CEO Message on its website (www.ypzinc.co.kr). It also publishes and announces its ethical norms (Ethics Charter, Code of Ethics, and Code of Ethics Implementation Guidelines) on the company website. This site is open so that all employees, external service providers, and partner companies can access the relevant ethical norms as needed.	1. The company will post the CEO's message (emphasizing ethics and anti-corruption) and the full text of its key ethical norms and human rights policies on its official website, ensuring transparent disclosure so that all internal and external stakeholders can access them at any time.

**ELC Control Number C-00.01.01-06**

Past Control Content	Revised Control Details
<p>If an employee violates the Code of Ethics or similar policies, causing damage to the company or damaging its reputation, the matter shall be referred to the Personnel Committee for investigation. Action shall be taken based on the results of the investigation.</p>	<p>Employees who cause damage to the company or tarnish its reputation by violating the company's Code of Ethics, Human Rights Management Policy, anti-corruption regulations, or other relevant rules shall be referred to the Personnel (Rewards and Punishments) Committee through official procedures. The Personnel Committee shall determine and implement necessary measures, including disciplinary action, based on the investigation results and relevant regulations.</p>

**ELC 통제번호 C-00.01.01-08**

Past Control Content	Revised Control Details
<p>The company receives reports of violations of the Code of Ethics through the Cyber Whistleblower System. All such reports are forwarded to the Compliance Management Team, and the audit officer conducts investigations into all reports as a matter of principle. Reports submitted to the Cyber Whistleblower Portal can only be viewed by the Compliance Management Team and cannot be arbitrarily deleted. The audit officer documents the investigation period, investigator, report details, investigation results, and their opinion for all reports, then reports to the Audit Committee. They also document the content and follow-up actions. If there are no reports, the status can be checked on the Cyber Whistleblower Portal report list.</p>	<p>The company receives reports of major violations such as ethics, human rights, and corruption through the 'Cyber Whistleblower System,' which are managed and investigated by the audit department. This system implements access controls and anti-tampering measures. Confirmed violations are documented, including follow-up actions after reporting to the Audit Committee. Furthermore, the status of received reports is regularly reviewed and recorded.</p>

**② Team-based MBO Implementation**

**(Ethics / Human Rights / Anti-Corruption Policy Compliance Assessment)**

Past MBO Evaluation Criteria	Revised MBO Evaluation Criteria																		
<p>2. Evaluation Criteria Table (Maximum 5 points)</p> <p>● When violations of the Self-Compliance Checklist are detected and disciplinary action is taken</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Category</th> <th style="text-align: center;">Scoring</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">No misconduct</td> <td style="text-align: center;">5 points</td> </tr> <tr> <td style="text-align: center;">Misconduct : Yes (Disciplinary action below reprimand)</td> <td style="text-align: center;">3 points</td> </tr> <tr> <td style="text-align: center;">Misconduct: Yes (Disciplinary action of salary reduction or higher)</td> <td style="text-align: center;">0 points</td> </tr> </tbody> </table>	Category	Scoring	No misconduct	5 points	Misconduct : Yes (Disciplinary action below reprimand)	3 points	Misconduct: Yes (Disciplinary action of salary reduction or higher)	0 points	<p>2. Compliance with Ethics / Human Rights / Anti-Corruption Policies</p> <p>● Evaluation Criteria (Maximum 8 points)</p> <p style="color: blue;">- When violations are detected or disciplinary action is taken</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Category</th> <th style="text-align: center;">Scoring</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">No violations</td> <td style="text-align: center;">8 points</td> </tr> <tr> <td style="text-align: center;">Upon detection of violations (no disciplinary action)</td> <td style="text-align: center;">3 points</td> </tr> <tr> <td style="text-align: center;">Violation: Yes (Disciplinary action below reprimand)</td> <td style="text-align: center;">2 points</td> </tr> <tr> <td style="text-align: center;">Violation: Yes (Disciplinary action of salary reduction or higher)</td> <td style="text-align: center;">0 points</td> </tr> </tbody> </table>	Category	Scoring	No violations	8 points	Upon detection of violations (no disciplinary action)	3 points	Violation: Yes (Disciplinary action below reprimand)	2 points	Violation: Yes (Disciplinary action of salary reduction or higher)	0 points
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## ② Anti-Corruption Pledge

(Applicable to Contracts with Partner Companies) <Korean-English Version>

### (주) 영풍 부패방지 서약서

본 서약인은 주식회사 영풍(이하 “회사”)과 체결하는 계약과 관련하여, 회사가 추구하는 윤리 경영 및 부패방지 원칙을 깊이 인식하고, 관련 법규를 준수하여 다음과 같이 서약합니다.

#### 제1조 (준수 의무)

본 서약인은 회사와의 거래 및 모든 사업 활동에 있어 다음의 사항을 철저히 준수합니다.

회사의 부패방지 정책 및 관련 국내외 법규(「형법」, 「부정청탁 및 금품등 수수의 금지에 관한 법률」, 「독점규제 및 공정거래에 관한 법률」, 「UN 반부패협약」, 「OECD 뇌물방지협약」 등)을 인지하고 준수하겠습니다. 계약의 체결, 이행, 또는 유지와 관련하여 직·간접적으로 어떠한 형태의 뇌물, 리베이트, 또는 부적절한 이익을 요구하거나 제공, 약속 또는 수수하지 않겠습니다. 회사와의 거래와 관련된 모든 회계 기록을 정확하고 투명하게 작성 및 유지하며, 허위 또는 조작된 기록을 만들지 않겠습니다.

모든 사업 활동에 있어 담합, 불공정 거래 등 시장의 공정한 경쟁 질서를 저해하는 행위를 하지 않겠습니다.

#### 제2조 (실사 및 협조 의무)

본 서약인은 회사의 투명하고 공정한 공급망 관리를 위해 다음 사항에 동의하고 적극 협조하겠습니다.

회사가 본 서약인의 부패방지 규정 준수 여부를 확인하기 위해 필요하다고 판단하는 경우, 회사 또는 회사가 지정한 제3자(회계법인 등)가 실시하는 실사(Due Diligence)에 성실히 협조하고 관련 자료를 제출하겠습니다. 본 서약인은 임직원 또는 기타 관계자가 제1조의 준수 의무를 위반할 경우 즉시 회사에 통보하겠습니다.

#### 제3조 (위반 시 책임)

본 서약인이 제1조 및 제2조의 의무를 위반하거나, 위반 사실이 합리적으로 의심될 경우, 회사는 다음의 조치를 취할 수 있으며 이에 대한 어떠한 이의도 제기하지 않겠습니다.

본 계약을 즉시 해지하거나 거래를 중단할 수 있습니다.

위반 행위로 인해 회사에 발생한 모든 손해(재산상 손실, 법적 제재, 평판 손상 등)에 대해 배상할 책임을 지겠습니다.

위반 행위가 범죄에 해당하는 경우, 관련 법규에 따른 형사 처벌을 받을 수 있음을 인지합니다.

본 서약서는 회사와 서약인 간의 계약에 필수적인 일부이며, 서약인은 본 서약서의 내용을 충분히 이해하고 그 이행에 대한 책임을 다할 것을 서약합니다.

§ 첨부 : 제3자 부패방지 자가 점검표 서명본 (해당 시)

### <Youngpoong Corporation : Anti-Corruption Pledge>

The undersigned, in connection with contracts entered into with Youngpoong Co., Ltd. (hereinafter referred to as the “Company”), deeply recognizes the ethical management and anti-corruption principles pursued by the Company and pledges to comply with relevant laws and regulations as follows.

#### Article 1 (Obligation to Comply)

The undersigned shall strictly comply with the following matters in all transactions and business activities with the Company.

I acknowledge and will comply with the Company's anti-corruption policy and relevant domestic and international laws and regulations (including the 「Criminal Act」, the 「Act on the Prohibition of Improper Solicitation and Graft」, the 「Monopoly Regulation and Fair Trade Act」, the 「UN Convention against Corruption」, the 「OECD Anti-Bribery Convention」, etc.).

I will not, directly or indirectly, request, offer, promise, or receive any form of bribe, rebate, or improper benefit in connection with the conclusion, performance, or maintenance of a contract. I will accurately and transparently prepare and maintain all accounting records related to transactions with the Company and will not create false or manipulated records.

I will not engage in any acts that undermine fair market competition, such as collusion or unfair trade practices, in all business activities.

#### Article 2 (Due Diligence and Cooperation Obligation)

The undersigned hereby agrees to and will actively cooperate with the following matters to support the Company's transparent and fair supply chain management.

If the Company deems it necessary to verify this signatory's compliance with anti-corruption regulations, I will faithfully cooperate with due diligence conducted by the Company or a third party designated by the Company (such as an accounting firm) and submit relevant materials. This signatory will immediately notify the Company if any employee, officer, or other related party violates the compliance obligations under Article 1.

#### Article 3 (Responsibility for Violations)

Should this signatory violate the obligations under Articles 1 and 2, or if there is reasonable suspicion of such a violation, the company may take the following measures, and I shall not raise any objection thereto:

The company may immediately terminate this agreement or suspend transactions.

I shall be liable to compensate the company for all damages incurred due to the violation (including financial loss, legal sanctions, reputational damage, etc.).

I acknowledge that if the violation constitutes a criminal offense, I may be subject to criminal penalties under relevant laws and regulations.

This pledge is an essential part of the agreement between the Company and the signatory. The signatory pledges to fully understand the contents of this pledge and to fulfill their responsibilities for its implementation.

§ Attachment : Signed copy of the Third-Party Anti-Corruption Self-Assessment Checklist (if applicable)

### ③ Third-Party Anti-Corruption Self-Assessment Checklist (Optional for Partner Contracts)

This checklist can be used to help your business partners self-assess and confirm their adherence to anti-corruption principles. Composed of key questions aligned with RMAP and other international standards, it will assist in evaluating the ethical integrity of partner companies.

In our contractual and transactional relationship with Youngpoong Co., Ltd., we hereby pledge to confirm and comply with all of the following matters. Please indicate ‘Yes’ or ‘No’ for each item below.

#### 1. Ethical Management and Anti-Corruption Policy

Category	Inspection Items	Applicability
1.1	Does our company have an official code of ethics or code of conduct that applies to all employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No
1.2	Does our company establish and operate a separate anti-corruption policy to ensure compliance with anti-corruption laws and regulations (bribery, embezzlement, breach of trust, etc.)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
1.3	Are all employees aware of our anti-corruption policy and completing the relevant training?	<input type="checkbox"/> Yes <input type="checkbox"/> No
1.4	Does our company operate an internal reporting channel where employees can report corrupt acts or violations?	<input type="checkbox"/> Yes <input type="checkbox"/> No
1.5	Does our company have a policy prohibiting retaliation against whistleblowers?	<input type="checkbox"/> Yes <input type="checkbox"/> No

#### 2. Transaction and Financial Transparency

Category	Inspection Items	Applicability
2.1	Are we accurately and transparently recording all transaction details with the company in our accounting records?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.2	Does our company engage in illegal or improper accounting practices such as slush fund creation or creative accounting?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.3	Has our company ever offered or received any improper benefits (bribes, kickbacks, illegal commissions, etc.) in connection with contracts with the company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.4	Has our company ever provided illegal donations, sponsorships, or money to politicians, public officials, or others in anticipation of business favors?	<input type="checkbox"/> Yes <input type="checkbox"/> No

#### 3. Business Structure and Reputation

Category	Inspection Items	Applicability
3.1	Are our beneficial owners or management associated with political officeholders, or does such association influence our business operations?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.2	Has our company ever been subject to government investigations, lawsuits, or sanctions due to misconduct such as corruption, embezzlement, or collusion?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.3	Has our company ever offered or received any improper benefits (bribes, kickbacks, illegal commissions, etc.) in connection with contracts with the company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.4	Has our company ever provided illegal donations, sponsorships, or monetary gifts to politicians, public officials, or others in anticipation of business favors?	<input type="checkbox"/> Yes <input type="checkbox"/> No

#### 4. Supply Chain and Operational Transparency

Category	Inspection Items	Applicability
4.1	Is our company making efforts to prevent human rights and environmental issues from arising in the procurement, production, and distribution of raw materials? (e.g., RMAP)	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.2	Are we managing our suppliers and subcontractors within our supply chain to ensure they adhere to ethical standards?	<input type="checkbox"/> Yes <input type="checkbox"/> No

## Appendix 1 Legal Basis

### 1) Domestic Laws

#### ① Criminal Act

- ⑦ Article 133 (Offering Bribes, etc.): Prohibits and penalizes the act of promising, offering, or expressing intent to offer bribes to public officials, etc. This serves as the basis for prohibiting bribery by company officers and employees.
- ④ Article 355 (Embezzlement, Breach of Trust)
  - Paragraph 1 (Embezzlement): Prohibits a person entrusted with another's property from embezzling it or refusing to return it. This serves as the basis for prohibiting the private use of company funds and assets.
  - Paragraph 2 (Breach of Trust): Prohibits a person handling another's affairs from acquiring property benefits or causing a third party to acquire such benefits through acts contrary to their duties, thereby causing damage to the principal. This serves as the basis for prohibiting improper handling of duties contrary to the company's interests.
- ④ Article 356 (Embezzlement and Breach of Trust in Business): It imposes aggravated punishment on those who commit the crime under Article 355 in violation of their duties. This serves as the basis for prohibiting and imposing aggravated punishment for embezzlement and breach of trust committed by exploiting one's position as an officer or employee.
- ④ Article 357 (Receiving Bribes in Connection with Breach of Trust)
  - Paragraph 1 (Receiving Bribes in Connection with Breach of Trust): This prohibits a person handling another's affairs from receiving improper solicitations concerning their duties and acquiring property or financial benefits. This serves as the basis for prohibiting acts such as accepting rebates in the private sector.
  - Paragraph 2 (Offering a Bribe for Breach of Trust): This prohibits the act of offering the property or benefits described in Paragraph 1. This serves as the basis for prohibiting acts such as offering rebates in the private sector.

#### ② Act on the Aggravated Punishment of Specific Crimes

##### ⑦ Article 2 (Aggravated Punishment for Bribery Offenses) :

If a person commits an offense prescribed in Article 129, Article 130, or Article 132 of the Criminal Act, the punishment shall be aggravated according to the amount received (value of the bribe). This serves as the basis for strengthening punishment for high-value bribery crimes.

#### ③ Act on the Prohibition of Improper Solicitation and Graft (hereinafter referred to as the 'Anti-Graft Act' )

- ⑦ Article 5 (Prohibition of Improper Solicitation): It is prohibited for anyone to make any of the 14 types of improper solicitation specified by law, either directly or

through a third party, to a public official or similar person performing their duties. This provides the basis for prohibiting improper solicitation.

④ Article 8 (Prohibition of Receiving Money, Gifts, etc.):

- Paragraph 5: It is prohibited for anyone to provide, promise to provide, or express an intention to provide prohibited money, gifts, etc., to a public official, etc. (including their spouse). This serves as the basis for prohibiting company executives and employees from providing money or gifts to public officials, etc.

④ Article 22 (Penal Provisions), Article 23 (Administrative Fines): Sets forth the standards for criminal penalties and administrative fines for violations of the Act.

**④ Monopoly Regulation and Fair Trade Act (Fair Trade Act)**

㉞ Article 40 (Prohibition of Unfair Joint Conduct): Prohibits business operators from unfairly restricting competition jointly with other operators through contracts, agreements, resolutions, etc. (particularly bid rigging, etc.). Corrupt acts can be used as a means of unfair competition, such as bid rigging. This serves as the basis for prohibiting unfair competitive practices like collusion.

④ Article 45 (Prohibition of Unfair Trade Practices): Prohibits acts such as unreasonably refusing transactions or discriminating against transaction partners, unreasonably excluding competitors, unreasonably inducing or coercing competitors' customers to transact with oneself, or unreasonably exploiting one's transactional position when dealing with partners. Improper benefit provision (such as rebates) may accompany these unfair practices. This provides the basis for prohibiting unfair trade practices such as offering rebates.

## 2) International Standards

The international conventions, the 「UN Convention against Corruption」 and the 「OECD Anti-Bribery Convention」, are treaties ratified by the Republic of Korea. Pursuant to Article 6, Paragraph 1 of the 「Constitution of the Republic of Korea」, they have the same effect as domestic law, and there is an obligation to reflect them in the domestic legal system.

**① United Nations Convention against Corruption (UNCAC)**

: Related to the Criminal Act (bribery offenses, embezzlement/breach of trust, etc.), the Improper Solicitation and Graft Act, the Act on the Regulation and Punishment of Concealment of Criminal Proceeds, and the Act on International Cooperation in Criminal Matters.

**② OECD Anti-Bribery Convention**

(Convention on Combating Bribery of Foreign Public Officials  
in International Business Transactions)

: This convention focuses on preventing the 'provision of bribes to foreign public officials' .

**③ FCPA (Foreign Corrupt Practices Act - U.S. Foreign Corrupt Practices Act)**

: Applies to acts such as planning or executing corrupt conduct within U.S. territory; even Korean companies can face punishment in the U.S. if they meet the requirements.

**④ UK Bribery Act (UK Bribery Act):** Can apply to all companies involved in business related to the UK.

## Appendix 2 Regulations by Risk Level

Risk classification based on corruption risk levels and differentiated transaction restriction regulations are as follows.

Risk Grade	Justice	Live-action Intensity	Trading Restriction Regulations
<b>High risk</b>	<p>Partners with clearly identified major corruption risk signals, such as past involvement in corruption, opaque governance structures, location in high-risk countries, and connections to public officials.</p> <p>Cases where the potential impact on the company's reputation and financial losses is extremely significant.</p>	<b>Advanced Fieldwork</b>	<ul style="list-style-type: none"> <li>- Prohibition of Transactions as a Rule: New transactions are prohibited as a rule, and existing transactions are subject to immediate suspension or termination review.</li> <li>- Thorough Investigation: If transactions must be maintained unavoidably, conduct a thorough in-depth investigation and establish a special risk mitigation plan under management approval.</li> <li>- Legal Action: Consider legal complaints or claims for damages as necessary.</li> </ul>
<b>medium risk</b>	<p>Potential corruption risk signals have been partially identified but the partner is not at a high-risk level.</p> <p>For example, lack of experience in complying with relevant laws and regulations, ambiguous expense handling practices, or exposure to risks common within the industry.</p>	<b>Standard Actual</b>	<ul style="list-style-type: none"> <li>- Strengthened Transaction Conditions: Enhanced anti-corruption clauses in new contracts and mandatory requirement for implementation pledges.</li> <li>- Enhanced Monitoring: Regular compliance monitoring during the transaction period and periodic re-audits.</li> <li>- Mandatory Training: Requirement to complete anti-corruption training and mandatory sharing of relevant policies.</li> <li>- Conditional Transactions Permitted: Conditional transactions permitted subject to implementation of risk mitigation measures.</li> </ul>
<b>Low risk</b>	<p>Partners with little or no identified corruption risk signals.</p> <p>Possesses transparent and sound corporate governance and internal control systems, and is located in a low-risk country.</p> <p>Where the potential impact on the company's reputation and financial losses is minimal.</p>	<b>Basic Live-action</b>	<ul style="list-style-type: none"> <li>- Permitted Transactions: Conduct transactions following standard contractual procedures.</li> <li>- Periodic Review: Conduct irregular compliance checks during the transaction period and request updated information as needed.</li> <li>- Awareness Enhancement: Continuously enhance awareness and communication regarding the company's anti-corruption policies and code of conduct.</li> </ul>

※ Basis for Violation: Failure to perform due diligence obligations or performing them in a perfunctory or inadequate manner; neglecting corruption risks; failure to comply with customer verification (KYC) obligations under the Act on Reporting and Utilization of Specific Financial Transaction Information (where applicable); potential liability for violating extraterritorial laws such as the FCPA and UK Bribery Act.

※ Violation Cases

- Entering into a contract with a third party clearly classified as high-risk without conducting due diligence for no valid reason, or substituting it with a mere formal document review.
- Discovering clear red flags during due diligence, such as suspicions of the third party's involvement in corruption or opaque fund flows, yet ignoring or downplaying them and proceeding with the transaction.
- Continuing transactions despite the third party failing to implement risk mitigation measures required based on due diligence findings (e.g., contract condition revisions, submission of additional materials).

## Appendix 3: Risk Matrix by Corruption Type

Corruption Types	Examples of Specific Acts	Risk Level	Key Mitigation Measures
<b>Receiving/Offering Bribes</b>	Offering money or valuables to public officials for improper favors during environmental/safety permitting processes.	High	Establish strict venue rental guidelines, strengthen third-party due diligence, and activate internal reporting channels.
	Offering money or valuables to customs officials during the overseas customs clearance process to prevent delays in clearance.	High	Mandate third-party due diligence for overseas agents and strengthen anti-corruption training.
	Offering money or valuables to evade customs duties through illegal means when importing raw materials.	Medium	Strengthen internal controls within the finance/procurement department and conduct periodic audits.
<b>rebate</b>	Receiving kickbacks from suppliers during the raw material procurement process	High	Establish a transparent purchasing process, strengthen supplier selection criteria, and conduct unscheduled supplier audits.
	Providing informal rebates to account managers at business partners to boost sales.	High	We will rationalize the sales incentive system, strengthen the standards for entertainment/promotional expense usage, and conduct training for the sales department.
	A portion of the excessive commissions paid to overseas trading brokers was diverted as bribes.	High	Conduct third-party due diligence on overseas business partners and explicitly state anti-corruption clauses within contracts.
<b>Embezzlement and fraud</b>	Transferring company funds to a personal account for private use.	High	Implement robust internal controls (segregation of duties, approval procedures) and conduct periodic accounting audits and training for the finance department.
	Manipulating accounting records to overstate revenue or conceal expenses (cooking the books).	High	Strengthen the internal accounting management system and enhance the role of independent internal audit and the audit committee.
	Unauthorized removal of company assets for sale or personal use.	Medium	Strengthen the asset management system and conduct periodic audits and ethics training for employees.
<b>Conflict of Interest</b>	Conducting transactions under unfair terms with companies owned by employees themselves or their related parties.	High	Mandatory disclosure of conflicts of interest, exclusion from related duties, and enhanced scrutiny of transactions with related parties.
<b>Recruitment corruption</b>	Abuse of authority by employees to exert undue influence in hiring unqualified individuals.	Medium	Establish a transparent hiring process, strengthen the independence of the personnel committee, and activate the internal whistleblowing system.
<b>Misappropriation of company assets for personal gain</b>	Habitually using company assets for personal purposes (corporate cards, vehicles, equipment, etc.).	Medium	Strengthen corporate card usage guidelines, manage asset usage records, and have the audit department monitor compliance.
<b>Information leak</b>	Leaking the company's key production technology information, customer lists, etc., to competitors or external parties.	High	Strengthen information security systems, implement confidentiality agreements, and enhance management of former employees and security training.
<b>Unfair competition practices</b>	Unfairly manipulating market prices through price-fixing agreements for specific products	High	Mandatory training on fair trade practices is implemented, a market monitoring system is established, and legal counsel is utilized.
	Colluding with competitors during the bidding process to predetermine the winning bidder or price	High	Strengthen bidding participation guidelines, maintain internal bidding information security, and provide guidance on the Fair Trade Commission's reporting channel.