

# Business Ethics

KKPC carries out business transparently and fairly, based on unwavering commitment to ethical management and active employee participation. We also create a win-win culture in partnership with internal and external stakeholders, including establishing mutually beneficial relationships with suppliers, and constructive labor-management relations. We will continue to fulfill our roles and responsibilities as a trusted company by staying true to both common sense and formal principles based on high ethical standards.

## ETHICAL MANAGEMENT

**Ethical Management System** KKPC declared our commitment to ethical management in September 2002, and since then has built an institutional infrastructure, so that we can adhere to all international, national and social regulations and norms as a trusted company. We have also put into place 'codes of ethics' and 'rules of ethics', which serve as criteria by which our employees can determine appropriate actions and values, and thus established solid foundations for implementing ethical management. In addition, based on the belief that ethical management is not only a prerequisite for a company's survival but also core competitiveness, we continue to strengthen our ethical management systems, in an effort to enhance our corporate value.

**Ethical Management Activities** KKPC has set the 'Cyber Report Center' in place on our company homepage, which enables employees or anyone else to report violations of our codes or rules of ethics at any time. We also hold the 'Transparent National Holiday Campaigns' on major national holidays every year, including on New Year's Day and at Chuseok (Korean Thanksgiving Day). We send notices to our suppliers as part of our commitment to fair and transparent business relationships, and we prohibit our employees from receiving improper gifts from stakeholders. Moreover, the 'Gift Report Center' has been established so that if an employee receives a gift due to unavoidable circumstances, that gift can be dealt with appropriately. In cases that absolutely require gifts or expenditure, such as the sending of traditional wreathes or gifts for congratulations or condolences, we adhere strictly to the letter and spirit of the 'Improper Solicitation and Graft Act' regulations.



## WIN-WIN RELATIONSHIPS

Our suppliers are also important business partners and stakeholders. We therefore focus on strengthening mutual trust and cooperative relationships with them. Our basic policy on supporting suppliers is to help them improve their management stability and operational efficiency, as well as to engage in technological cooperation. Based on that, we are increasing the number of payments made to small to mid-sized suppliers in cash, providing financial and training support, sharing information, developing technologies together, and offering technical support. In addition, we have made the 'win-win index', established by Korea Commission for Corporate Partnership, one of major focuses for our work.

In May 2017, we hosted the 'KKPC Partnership Academy' in partnership with the Korea Foundation for Cooperation of Large & Small Business, Rural Affairs, and approximately 50 employees from 45 suppliers were invited. We will continue to increase exchanges with suppliers through the Academy, which will act as a professional training program to improve the skills of both KKPC and supplier employees. The Academy will also promote the consignee-consignor council, and reinforce our overall cooperation network.

### Key Areas of Ethical Management



#### TRUST

We strive to be a trusted and respected company by practicing transparency.



#### WIN-WIN

We are creating a culture of win-win growth with our stakeholders.



#### SOCIAL RESPONSIBILITY

We are making the world a brighter, warmer place by caring for the disabled and underprivileged.



#### ENVIRONMENT & SAFETY

We strive to be in harmony with nature and create a safe and pleasant work environment.