

# Sustainable Supply Chain Policy

## Purpose

In response to the transition toward eco-friendly mobility to combat climate change and the strengthening of global ESG standards, responsible management of the entire supply chain is becoming increasingly important. Furthermore, supply chain issues such as human rights, environment, and ethics have become major considerations in strategic decision-making across the corporate value chain, leading to increased demands for sustainability management for both the company and its suppliers.

Reflecting these environmental changes, Nexen Tire and its affiliates (hereinafter referred to as "Nexen Tire") have amended the previous "Sustainable Procurement Policy" into the "Sustainable Supply Chain Policy." This policy is established based on major international standards such as the RBA Code of Conduct, the UN Guiding Principles on Business and Human Rights (UNGPs), and ILO Core Conventions. It aims to expand the management scope from the procurement stage to the entire supply chain—including raw materials, production, logistics, and services—and defines the standards and procedures to identify, manage, and mitigate sustainability-related risks at each stage.

## Basic Principles

### 1. Supplier Code of Conduct

All suppliers maintaining a business relationship with Nexen Tire must reflect Environmental, Social, and Governance (ESG) factors in their entire management decision-making process. Suppliers must be fully aware of and faithfully implement the Nexen Tire Supplier Code of Conduct (including future amendments) and actively encourage their own suppliers and sub-supply chains to comply with Nexen Tire's Code of Conduct and relevant laws and regulations of the production location. Additionally, suppliers must cooperate sincerely if Nexen Tire or a designated third-party agency requests data or conducts on-site inspections/evaluations to verify compliance.

Nexen Tire's Supplier Code of Conduct consists of 34 items across 5 areas.

Area	Business Ethics	Labor & Human Rights	Health & Safety	Environmental Management	Management Systems
Detailed Item	<ul style="list-style-type: none"> <li>- Transparency &amp; Anti-corruption Conflict of Interest Prevention</li> <li>- Fair Trade &amp; Competition</li> <li>Quality Management</li> <li>- Compliance with Export Laws/Regulation</li> <li>- Information Protection</li> <li>- Responsible Material Sourcing Supply Chain Traceability</li> </ul>	<ul style="list-style-type: none"> <li>Discrimination &amp; Benefits</li> <li>Equal Treatment</li> <li>Freedom of Association</li> <li>Prohibition of Child Labor</li> <li>Prohibition of Forced Labor</li> </ul>	<ul style="list-style-type: none"> <li>Health &amp; Safety Management System</li> <li>Management of Machinery/Equipment</li> <li>Emergency Preparedness</li> <li>Risk Management</li> <li>Inspection, Health Management</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Management System</li> <li>Obtainment of Environmental Permits</li> <li>Prevention &amp; Resource Reduction</li> <li>Pollutant Management</li> <li>Hazardous Substance Management</li> <li>Wastewater Management</li> <li>Accident Prevention &amp; Biodiversity Conservation</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure Statement</li> <li>Organizational Structure Management</li> <li>Reporting</li> <li>Education/Training &amp; Communication</li> <li>Supply Chain Oversight</li> <li>Regulatory Compliance</li> </ul>

## 2. Sustainable Natural Rubber Policy

To prevent deforestation and climate change caused by indiscriminate natural rubber harvesting, Nexen Tire prioritizes responsible natural rubber sourcing based on sustainable supply chain management. Accordingly, this policy has been established with reference to the EU Deforestation Regulation (Regulation (EU) 2023/1115, "EUDR") and the sustainable natural rubber policy guidelines recommended by the GPSNR initiative. Based on this policy, Nexen Tire will establish a system to proactively manage environmental and human rights risks occurring in the natural rubber harvesting and production process.

## 3. Sustainable Minerals Policy

Nexen Tire has established this Sustainable Mineral Procurement Policy to promote sustainable resource utilization and prevent human rights violations and environmental damage in the supply chain. Minerals mined in conflict areas can serve as a source of funding for armed groups and lead to serious human rights abuses. Nexen Tire guarantees responsible resource use throughout the supply chain and pursues sustainable development through fair and transparent mining and trading practices.

## 4. Integrity Implementation Pledge

Recognizing that a clean and transparent corporate culture is a core element of social development and national competitiveness, Nexen Tire acknowledges that corrupt companies face difficulties in sustainable growth, especially with the strengthening of international anti-corruption efforts like the OECD Anti-Bribery Convention. Accordingly, the company mandates the signing of an Integrity Pact when entering into new contracts with suppliers to establish a clean and transparent trading culture.

## Scope

This Sustainable Supply Chain Policy applies to all domestic and overseas business sites of Nexen Tire and all suppliers currently transacting or planning to transact with Nexen Tire.

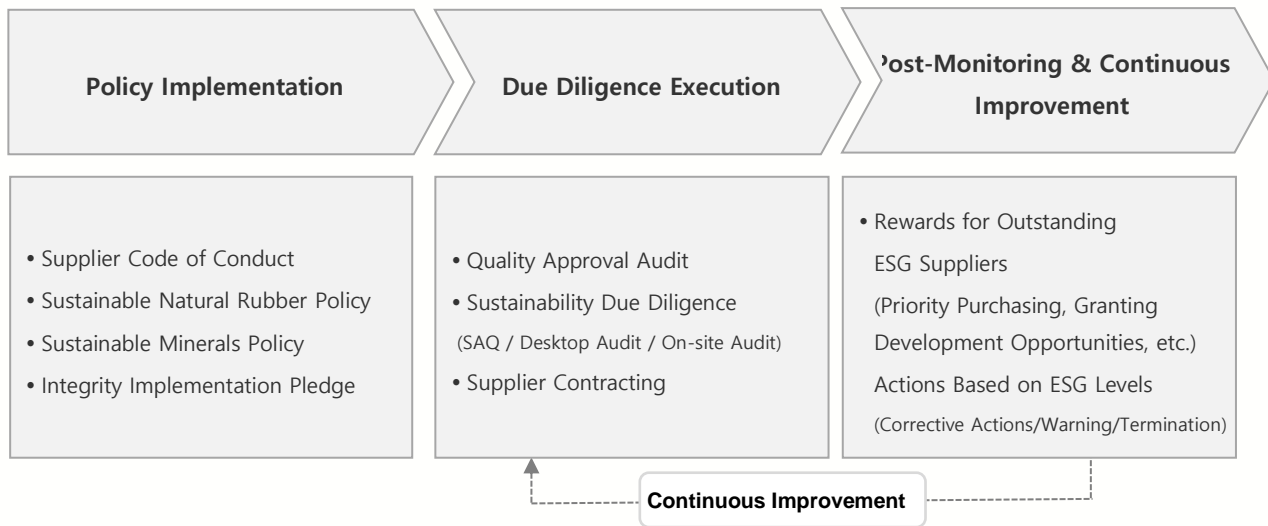
## Implementation Plan

### 1. Supplier Selection and Management

- 1) Rational Selection & Performance Management: Apply objective criteria such as SHE, technical level, quality, and delivery capability.
- 2) Reflection of ESG Factors: Consider ESG elements (environment, human rights, ethics, etc.) when signing procurement contracts.
- 3) Fair Selection Process: Provide equal participation opportunities and prohibit discrimination.
- 4) Transparent Operation: Document evaluation criteria, procedures, and results, and share them with relevant departments.

## 2. Sustainability Due Diligence Framework

Nexen Tire operates a systematic supply chain sustainability due diligence process for its suppliers to identify, prevent, mitigate, and remediate environmental, human rights, and ethical risks that may occur throughout the entire supply chain.



### 1) Preparatory Phase

The supply chain management organization periodically reviews the status of domestic and international suppliers, alongside ESG-related laws, regulations, and international standards. Based on these reviews, we establish ESG management goals and strategic roadmaps. This phase includes developing a comprehensive due diligence plan that specifies target suppliers, cycles, durations, and assessment methodologies.

### 2) Execution of Sustainability Due Diligence

The organization conducts due diligence on selected suppliers to identify potential risks across all ESG dimensions, including environmental, human rights, and ethical areas. Depending on the identified potential risk levels, we perform in-depth evaluations and on-site audits to verify actual risk factors.

### 3) Identification & Assessment of Risks

By analyzing the results of the due diligence, we evaluate the types and levels of identified ESG risks. Management priorities are then determined by considering the severity and urgency of the risks to ensure an effective response.

### 4) Implementation of Risk Mitigation Measures

Nexen Tire shares the results of the due diligence with suppliers and requests the implementation of preventive, mitigative, and corrective actions for identified risks. Furthermore, Nexen Tire continuously monitors and manages the progress of these actions, providing additional training and collaborative support where necessary.

## 5) Disclosure of Supply Chain Due Diligence Information

Nexen Tire discloses the progress, key milestones, and performance of its supply chain sustainability due diligence in accordance with relevant laws, regulations, and internal supply chain policies, within an appropriate and reasonable scope.

## Implementation System

### 1. Governance (Role of Executive Leadership)

ESG Strategy Committee regularly monitors relevant matters to establish a sustainable supply chain and reviews and approves supply chain-related initiatives and response plans proposed by the management organization. Furthermore, critical supply chain risks and strategic tasks are determined through the deliberation and resolution of the ESG Management Committee under the Board of Directors.

### 2. Implementation Body (Role of Dedicated Management Teams)

The Supply Chain Management (SCM) organization identifies strategic improvement tasks across overall supply chain operations to enhance Nexen Tire's supply chain sustainability, manages performance, and executes necessary activities at each stage. Furthermore, in collaboration with the ESG Steering Committee, the organization analyzes internal and external regulations and requirements related to supply chain sustainability and establishes corresponding response strategies.

## Grievance Mechanism

Nexen Tire operates dedicated communication channels to ensure transparent and continuous engagement with our suppliers. Any feedback or grievances submitted through these channels are processed securely under the principles of anonymity, confidentiality, and non-retaliation. Based on the insights gathered, Nexen Tire actively reflects these matters in improving supply chain operations and policy frameworks. Official Communication Channels: <https://www.nexentire.com/kr/sustainability/society/partnership>

### 1. Grievance Submission

Suppliers can submit opinions or grievances arising from the sustainability management process through our dedicated communication channels. All submissions can be processed anonymously, and the identity of the submitter and the details of the report are strictly confidential.

### 2. Review & Response

Submitted matters are reviewed by relevant departments. When necessary, we provide appropriate support, such as consultation and guidance on improvement measures. Throughout this process, strict management is exercised to ensure that the submitter does not face any form of disadvantage or retaliation.

### 3. Outcome Sharing & Implementation

The results of the grievance handling are shared with the supplier. The collected feedback is reflected in supply chain operations and policy improvements, fostering mutual trust and shared growth.

### Supplementary Provisions

- ① This Supply Chain Sustainability Policy shall take effect as of July 1, 2023.
- ② This Policy is prepared in Korean, English, Chinese and Czech. In the event of any discrepancy or inconsistency between the Korean version and any foreign language translation, the Korean version shall prevail.
- ③ Specific supply chain risk management policies mentioned herein shall be governed by Nexen Tire’s internal guidelines and procedures.

This policy has been confirmed as stated below and  
is implemented with the approval of the CEO of Nexen Tire Corporation.

**Hyeon Suk Kim**

Chief Executive Officer

Nexen Tire Corporation



<b>Document Title</b>	Nexen Tire Supply Chain Sustainability Policy	<b>Version</b>	Rev2.0
<b>Enactment Date</b>	2023.07.01	<b>Revision Date</b>	2026.03.31
<b>Drafting Team</b>	Procurement Team	<b>Managing Department</b>	ESG Team

**< Revision History >**

<b>Ver</b>	<b>Date</b>	<b>Details</b>	<b>Drafting Team</b>	<b>Managing Team</b>
V1.0	2023. 07. 01	Enactment of Sustainable Procurement Policy	Procurement Team	ESG Team
V2.0	2026. 03. 31	Updated Document Name	Procurement Team	ESG Team