

Social Code Of Conduct

Production facilities in all types (referred to as "The facility") producing for Kukdong Corp. hereby accept and acknowledge this code of conduct and shall do their utmost to comply with the following code of conduct.

1. Undue Influence & Business Integrity

The facility will try their best to take a strong stand against any attempt of corruption or bribery, and also notify Kukdong Corp. of such an attempt of corruption or bribery in a timely manner, so that the potential or practical risks of undue influence and integrity problem can be immediately reported and addressed according to the agreed remediation by Kukdong Corp.

2. DISCRIMINATION

The facility must hire and treat workers based on solely workers' capability regardless of gender, race, age, nationality. Personal relationship or any nepotism will not affect the way the facility treats workers.

3. FORCED LABOR

The facility will never use prison-labor, apprenticeship or any kind of forced labor to manufacture the Kukdong merchandise.

4. CHILD / MINOR LABOR

The facility will hire only those workers who meet the legal minimum age requirement in accordance with the law or at least over 15-years whichever is greater. The facility will also comply with minor labor laws and the facility must acquire a permission from the worker's parents when they hire a minor worker.

5. WAGES AND WORKING HOURS

In writing, the facility must limit the working hours within 60 hours a week or the maximum working hours defined by the local labor law. In any case, more strict regulation will be applied.

Wages must be at least the local industrial standard or the minimum wages, whichever is greater.

6. Corporal punishment / Verbal abuse and harassment

The facility must treat their workers with respect and honor and must not use any type of corporal punishment or verbal abuse as disciplinary measures. The facility also acknowledges that workers should not be subjected to any kind of harassment under any circumstances.

7. WORKING CONDITION

The facility hereby guarantees that employees work in safe and healthy environment by complying with all applicable occupational health & safety regulations. To that end, the facility will also keep machinery in good maintenance, and hazardous substances must be reasonably stored and disposed of.

8. FREEDOM OF ASSOCIATION

The facility must allow workers to freely join the unionized labor and they can't influence workers' decisions to bargain and associate as a group.

9. ENVIRONMENT

The facility will strictly comply with the local environmental laws, regulations and Kukdong's internal standard, whichever is greater. The facility also should agree to establish their own internal schemes and procedures to legally take care of environmental issues (ie; EMS), which involves reporting procedure to the local authority upon environmental accidents incurred by the facility operation.

For more information in regard to this code of conduct, please contact Mr. John Yoon (Compliance director at Kukdong HQ). **Contact info: 822-3407-7742, dhyoon1@kd.co.kr**