

Sustainable Procurement Policy

The Sustainable Procurement Policy has been formulated based on NEXEN TIRE's principles of coexistence, mutual prosperity, and ethical consciousness. Its primary objective is to foster a sustainable society through collaboration with various stakeholders. This policy entails the establishment and implementation of a sustainable procurement and supply chain management system at NEXEN TIRE, with the aim of contributing to the attainment of the United Nations Sustainable Development Goals (SDGs) and fulfilling the company's Corporate Social Responsibility.

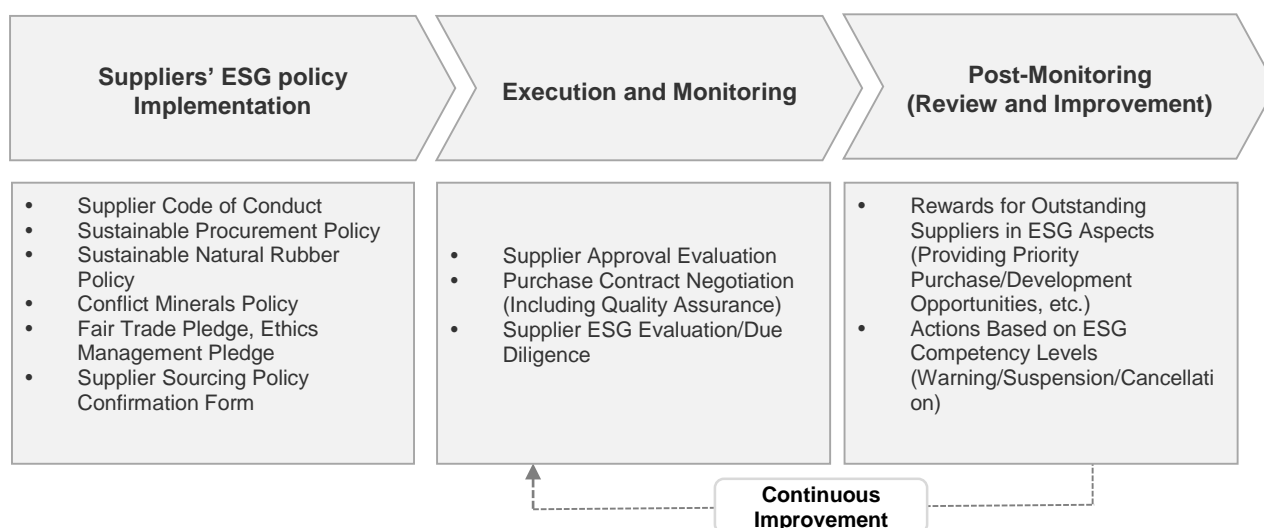
The policy has been carefully crafted, taking into account the United Nations Sustainable Development Goals (SDGs), the UN Guiding Principles on Business and Human Rights (UNGPs), and the demands of stakeholders. All employees and departments involved in our supply chain and procurement are entrusted with the responsibility of adhering to this policy. Additionally, we humbly request our business partners, responsible for procurement and purchasing on behalf of NEXEN TIRE, to uphold and endorse this policy.

As a responsible member of the international community, we remain committed to exerting its utmost efforts in establishing a sustainable and accountable supply chain system. This system will be founded upon values promoting the environment, human rights, safety, and ethics, while fostering collaboration with stakeholders to achieve common sustainable objectives.

Policy Principles

- 1. NEXEN TIRE shall adopt sustainable procurement practices to obtain necessary goods and services for the organization, in a way positively impacting the environment and society.**
 - We shall take into account the sustainability practices of partner organizations, including climate change adaptation and mitigation, respect for human rights, addressing social inequalities, and ethical considerations, when engaging in procurement of goods and services.
 - We shall ensure that fair and equitable procedures are followed when entering into contracts with socially disadvantaged and minority businesses, such as disabled individuals, female entrepreneurs, and minority races, to avoid any disadvantages.
 - We shall be dedicated to continuously improving sustainability-related performance in areas such as environmental responsibility, human rights, safety, ethics, and other relevant aspects during the procurement process of goods and services.
- 2. NEXEN TIRE shall be committed to establishing and implementing a sustainable supply chain management system in collaboration with stakeholders.**
 - We shall conduct thorough due diligence to identify potential environmental, human rights, and corruption-related risks across the entire supply chain and maintain continuous collaboration with partner organizations, business partners, and stakeholders.
 - We shall engage with stakeholders within the supply chain to discuss and collaborate on the elimination or mitigation of identified environmental, human rights, and corruption-related risks.
 - We shall promote the enhancement of sustainability values by providing incentives to outstanding partner organizations based on due diligence results and offering support for education and improvement activities for underperforming partner organizations.
- 3. NEXEN TIRE shall prevent human rights violations and negative environmental impacts when sourcing key raw materials, such as natural rubber and conflict minerals.**

- (Natural Rubber) When procuring natural rubber, we shall make efforts to prevent issues such as child labor, forced labor, human rights violations, and deforestation, and comply with NEXEN TIRE's "Sustainable Natural Rubber Policy."
 - (Conflict Minerals) We shall ensure that conflict minerals associated with armed groups in conflict regions are not included in its supply chain for product manufacturing, in compliance with NEXEN TIRE's "Conflict Minerals Policy."
- 4. NEXEN TIRE shall be committed to maintaining a sound and equitable trading environment with all stakeholders and partner organizations, through ①Adherence to ethical business practices and the preservation of integrity in all transactions, ②Provision of equal opportunities to all companies during new business dealings, ③Prohibition of any form of unfair practices, promoting a mutually equitable relationship.**
- Prior to engaging in any business transaction, both parties mutually pledge to uphold the principles of integrity by signing an ethics management agreement. This agreement ensures that all employees from both entities are well-informed about and disseminate the content of the code of ethics, demonstrating sincere efforts to adhere to its guidelines.



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Establishment Date	01. 07. 2023	Revision Date	-
Establishment & Revision Department	Procurement Team	Management Department	ESG Team