

Communication on Progress (COP)

[Period: 2019.05~2021.04]

HUMAX
2021.05



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1. CEO Declaration Statement



Dear stakeholders,

HUMAX strives to make continuous efforts to reinforce its sustainable management system and corporate social responsibility, while focusing on generating positive impacts around the world through constant communications with its stakeholders.

We firmly confirm our consistent supports for the UN Global Compact (UNGC) and the ten principles of the UNGC. As a signatory to the UNGC since 2015, we hereby release the 4th COP (Communication on Progress) that illustrates our commitments and achievements with regard to sustainable management.

In this report, we have highlighted our key performances from May 2019 to April 2021 in the following four areas: Human Rights, Labor, Environment and Anti-Corruption. We will continue to strengthen our efforts to spread sustainable management into the entire value chain.

We hope this report provides a useful guide and assistance for all of our stakeholders to better understand HUMAX and to enhance their trust in HUMAX as it embarks on a new growth path.

2021.05

A handwritten signature in black ink, appearing to read 'Kim Tae-hun'.

HUMAX Co., Ltd.
CEO Kim Tae-hun

2. Company Profile_ (1) Overview



COMPANY

HUMANX Co., Ltd.

CEO

Kim Tae-hun

FOUNDED

Feb. 1989

UNGC PARTICIPATED

Feb. 2015

KOSDAQ LISTED

Apr. 1997

MAJOR PRODUCT

Gateway / Car Infotainment / Mobility

HEADQUARTER ADDRESS

**HUMANX Village,
216 Hwangsa-eul-ro,
Bundang-gu, Seongnam-si,
Gyeonggi-do, 13595, KOREA**

HOME PAGE

www.humaxdigital.com

2. Company Profile_MISSION & VISION



2. Company Profile_Business

Legacy Business

- Gateway
: Maintain market dominance and sales stance in mature markets
- Car Infotainment
: Sluggish on Overall demand for the Entry model
- In Vehicle Antenna
: Increased installation rate of high-end products (shark antenna), etc.



Gateway



Car Infotainment



In Vehicle Antenna

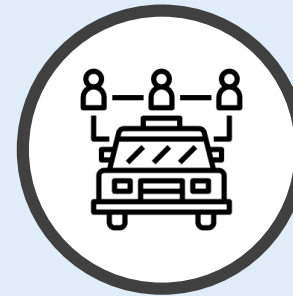
Mobility Business



FMS



Car Sharing Platform



Multi-Mobility Service



Parking lot Operator

3. The 10 Principles of the UNGC

Human Rights

- ✓ **Principle 1.** Business should support and respect the protection of internationally proclaimed human rights; and
- ✓ **Principle 2.** make sure that they are not complicit in human rights abuses.

Labor

- ✓ **Principle 3.** Business should Uphold the freedom of association and the effective recognition of the right to collective bargaining;
- ✓ **Principle 4.** the elimination of all forms of forced and compulsory labor;
- ✓ **Principle 5.** the effective abolition of child labor; and
- ✓ **Principle 6.** the elimination of discrimination in respect of employment and occupation.

Environment

- ✓ **Principle 7.** Business should Support a precautionary approach to environmental challenges;
- ✓ **Principle 8.** undertake initiatives to promote greater environmental responsibility; and
- ✓ **Principle 9.** encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- ✓ **Principle 10.** Business should Work against corruption in all its forms, including extortion and bribery.

4. Sustainability Vision

To build trust with stakeholders and pursue a Triple Bottom Line strategy with leadership in the economy, environment, and society.

SUSTAINABLE DEVELOPMENT for HUMANITY

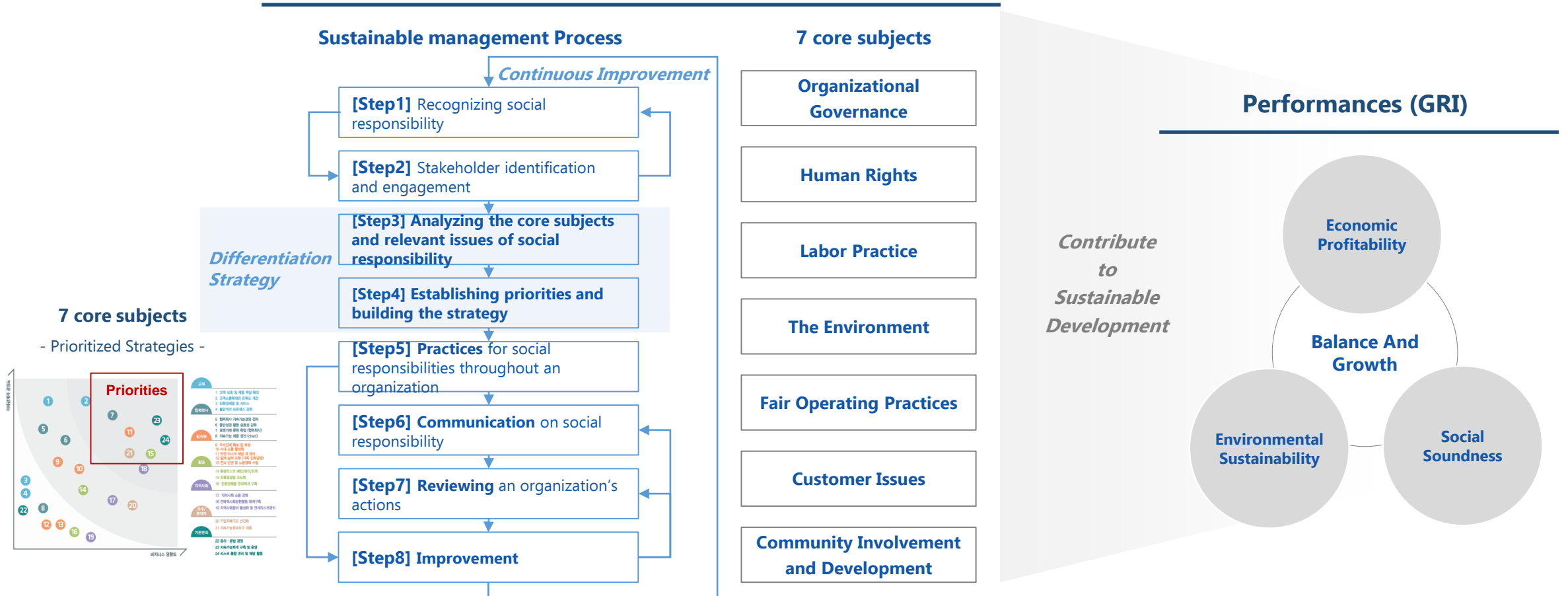


Satisfying Stakeholders' Needs and Building Mutual Trust

5. Sustainable Management Process

HUMAX has developed an Operational Guidance based on the ISO26000 standard. Based on this, we focus on 7 core subjects and create a differentiation strategy from the needs of stakeholders and a self assessment analysis. We produce performance according to GRI

Operational Guidance (ISO26000)



Performance Summary

ESG Category	Strategy	Performance	UNGC Principal
Environment	Eco-friendly	<ul style="list-style-type: none"> • Reporting system for Eco-Operation • Sustainable products tailor to a customer needs • CDP score of B- in Climate Change 	Environment
Society	People-oriented	<ul style="list-style-type: none"> • Pandemic-safe • Improvement on work environment • Publication of Modern Slavery Statement pursuant to the UK MSA 2015 	Human Right/ Labour
	Creating Share Value	<ul style="list-style-type: none"> • Social contribution programs - Community participation - Disability support • Increase of local hiring for R&D center in Vietnam 	Human Right/ Labour
	Win-win growth	<ul style="list-style-type: none"> • Fair Trade Operating system: "Moderate" level 	Human Right/ Labour
Governance	Transparency	<ul style="list-style-type: none"> • Implementation of Internal Accounting Control System: Korea Sarbanes-Oxley Act • Compliance Management System & Whistle Blow System • Regular Trainings on Ethics & Integrity 	Anti- Corruption
	Innovation	<ul style="list-style-type: none"> • Management systems and solutions in accordance with the requirements of ISO and other international standards. 	Environment Anti- Corruption

1. Environment

Policy and Regulation

- Environmental awareness has been reflected in the policy and regulation

Eco-operation

- Sustainable products such as the use of eco-friendly materials, minimization of parts, and simplification of processes: so as to tailor to a customer needs
- Control System that enables for manager to monitor and control working environment and for users to access easily and to be participated in eco-operation
- Offering the Corporate Car Sharing solution to employees reduces the total cost of mobility and the use of extra-fleet vehicles (taxi, car rental...)

Evaluation by External

- CDP score of B- in Climate Change

2.1 Society_People-oriented 1

Policy and Regulation

- Code of Ethics based on the principles of UNGC to reinforce its commitment on protection of employees' human rights, prohibition of child labor, prohibition of involuntary labor, and cooperation between labor-management relations.

Pandemic-safe

- Activation of work from home: Announcement on Remote Work Guidelines for Employees
- Shift all the meetings to a virtual format
- Social Distancing: Provision of masks, Mandatory mask-wearing in public area, Non-Contact Body Temperature Measurement System and so on.

Modern Slavery Statement

- Publication of Modern Slavery Statement pursuant to the UK Modern Slavery Act 2015
- Zero tolerance on any kind of modern slavery and is in support of the UDHR and UNGC's statement to prohibiting all forms of slavery.

2.2 Society_People-oriented 2

Conflict Mineral Management

- Conflict-Free Mineral: The tantalum, tin, tungsten and gold In the products does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country.
- Due diligence on the source and chain of custody of these Minerals and make their due diligence measures available to customers upon customer request.

Working Environment

- Flexible Work Hour: Freely adjustment on working hours with improvement on the work conditions and productivity.
- Leave Arrangement: A variety of family-related leave options, ranging from maternity/paternity leave, to family leave for all family-related emergency
- Child Care Assistance: ensuring women not discriminated against based on pregnancy, motherhood or family responsibilities in relation to employment conditions, wages or career opportunities.
- Group Insurance

2.3 Society_Creating Shared Value

Social Contribution

- Reclaim on local Economy: 50% rent reduction for small business during the peak of the crisis
- Disability support: Hired 4 employees with developmental disabilities

R&D center in Vietnam

- Increase of local hiring for R&D center in Vietnam: Contribution to the local economy by employing more than 90% of the recruitment personnel as locals.

2.4 Society_Win-win growth

Fair Trade Operating system

- “Moderate” level four years in a row (2016~2019) from Win-Win Index

3.1 Governance_Transparency

Policy and Regulation

- Implementation of Internal Accounting Control System: Korea Sarbanes-Oxley Act

Compliance Management System & Whistle Blow System

- IT-based compliance management system with solid compliance training program in place
- Enhanced communication channel, called Clean HUMAX, to Reporting any violations of ethics and integrity that has stated on the INTEGRITY CODE of HUMAX, and to get various opinions of stakeholders

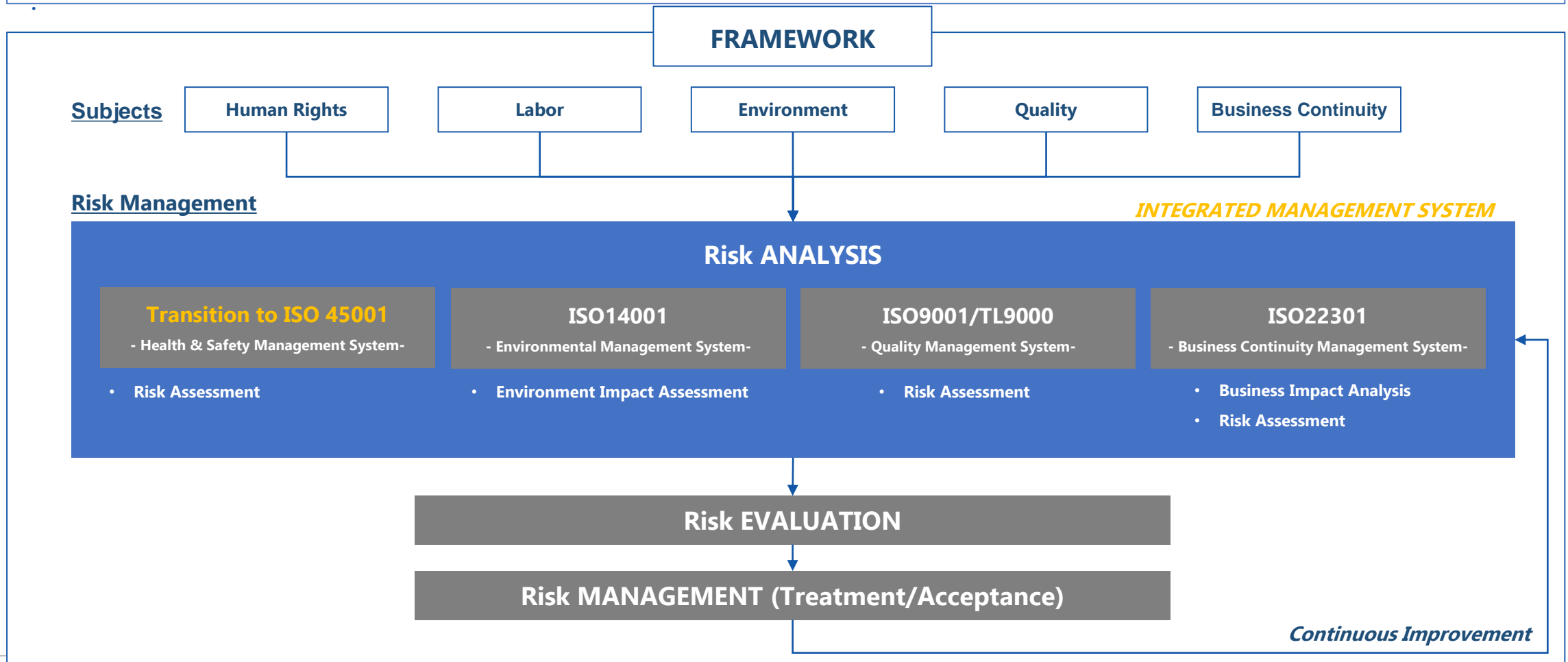
Regular Trainings on Ethics & Integrity

- Regular Humax Integrity Trainings on Ethics & Integrity to promote ethical decision making, prevent fraudulent and corrupt behavior.

3.2 Governance_Innovation

Implementation of the management systems

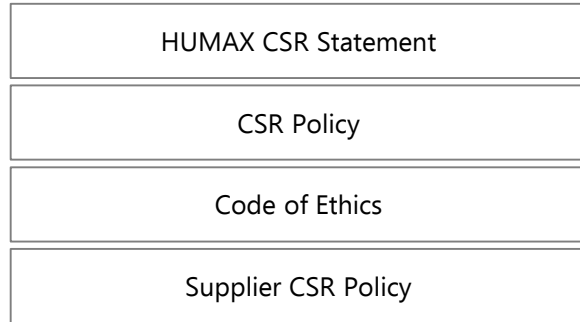
- management systems and other solutions in accordance with the requirements of ISO and other international standards.



[APPENDIX] 1. Sustainability Policy

HUMAX SUSTAINABILITY

(Under an enactment)



ECONOMY

BCM Policy
- ISO22301 -

Quality Policy
- ISO9001/ TL9000 -

ENVIRONMENT

Environmental Policy
- ISO14001 -

Climate Change Policy

SOCIETY

Health & Safety Policy
- ISO 45001 -

Conflict Mineral Policy
(Under an enactment)

Anti-Corruption Policy
(Under an enactment)

Employment Rule

Labor-
Management Rule

10 PRINCIPLES			POLICY		
			CSR Policy	Code of Ethics	Others
Human Rights	Principle 1	Human rights protection	III. Respect for human rights IV. Occupational Health and Safety	V. Human rights and Corporate Social Responsibility	Employment Rules
	Principle 2	Human rights abuses			Conflict Minerals Policy (under an enactment)
Labor	Principle 3	Freedom of association, collective bargaining			Labor-Management Regulations
	Principle 4	Forced labor			Employment Rules
	Principle 5	Child labor			Employment Rules
	Principle 6	Discrimination in respect of employment and occupation			Employment Rules
Environment	Principle 7	Precautionary approach to environment	V. Reduce environmental impact	-	Environmental Policy
	Principle 8	Promoting environmental responsibility			Quality Policy
	Principle 9	Environmentally friendly technology			Climate Change Policy
Anti-Corruption	Principle 10	Elimination of corruption	VI. Fair trade and Win-win growth	VI. Business ethics and practice	Anti-Corruption Policy (under an enactment)

[APPENDIX] 2. Information Disclosure

HUMAX posts our sustainability activities on our website

HOME PAGE

We express our commitment to sustainability on the HUMAX website, report on its achievements, and strengthen communication channels with stakeholders



- **Sustainability Category**
 - <http://kr.humaxdigital.com/>
 - [Sustainable Management](#)
 - [Environmental Management](#)
 - [Win-Win Growth Management](#)

CDP (Carbon Disclosure Project)

Climate change and greenhouse gas related information have been released to the Carbon Disclosure Project (CDP) since 2013.

B-
(The result of 2020)



	2017	2018	2019
Score	B	B-	B-