

Regulation for Ethics & Compliance

Korea Aviation Engineering&Maintenance Service, LTD.

Ethics & Compliance Policy

Korea Aviation Engineering&Maintenance Service(hereinafter “KAMES or Company”) has established “Ethics & Compliance Policy” to grow a respected and trusted company based on the transparent and clean culture. This policy will be used to conduct the standard of our actions and judgments.

1. We shall provide customers with the best Maintenance Quality and services to create the highest value.
2. We shall deal fairly and transparently with all business associates such as customers, suppliers, partners and agencies and shall not deal improper advantages and bribery.
3. We shall comply with domestic and international laws for the job performance and shall carry out the responsibilities and obligations for the development of a sound company which respects culture and customs.
4. We shall immediately report violations at the helpline-center when found, and the company shall fully protect the identity of the internal Whistleblower.
5. We shall apply the principle of zero tolerance if you violate this regulation.

KAEMS is aware of the importance of ethics and compliance management and operates a dedicated department to establish ethics & compliance program. We shall grow and develop a healthy corporate culture through ongoing training, checking and improving of ethics programs.

Regulation for Ethics & Compliance

Chapter 1 General Rules

1.0 Purpose

The purpose of this regulation is to receive respect and trust from society and customers and grow into a future company by allowing executives and employees to determine and implement matters related to the management of ethical compliance that must be observed.

2.0 Subject of application

The regulations shall be applied not only to all employees of the company but also to business partners who cooperate in the interests of the company.

Charter2 Compliance Guidelines

3.0 Compliance with domestic and international laws

All employees shall conduct our business activities for transparent management and fair competition in accordance with applicable laws (including as the KR illegal appeal Prohibition Act, the US Foreign Corrupt Practices Act, the UK Briber Act, Fair Trade Act and Labor Standard Act, etc.) and regulations of the trading country.

If any employee is fined for violating the anti-corruption acts, even though business practices, the company shall not be liable for such result and shall not make reimbursements for the penalty of any other damages.

4.0 Limitations of providing and receiving anything of value

All employees shall not directly or indirectly provide, receive, suggest, promise, approve any gratuities, bribery, kickbacks, gifts, business courtesies, hospitality, travel expenses, facilitating payments, political contributions or lecture fees etc. to or from a client or other third party in order to acquire improper profits. Nevertheless, providing and receiving

activity of value in work shall be allowed within “Practice Standards for ethics and compliance (A -04-01)” or the code of conduct or the law in each company or country.

5.0 Employment procedures

Potential personnel shall faithfully report violations of ethical, legal and secure activities before they are employed. Hired employees shall agree to a compliance declaration. The company shall not provide improper preferential hiring and improper treatment to an employee during working. An employee who violates this company’s regulations or anti-corruption acts shall be subject to disciplinary action (including the right of termination of employment)

6.0 Contract with a third party

All Employees shall adequately deliver the company’s ethics regulation and anti-corruption laws when trading with third parties and shall include conditions in a contract that they fully comply with this policy. Also, the contract shall include the terms for termination, compensation for damages and conditions for auditing the third party in case the third party violates(or is suspected of violating) anti- corruption act or this regulation. KAEMS maintains the integrity of the procurement process in bidding, negotiating, and performing contracts for federal agencies. This prohibits the release of source selection information and competitor’s bid or proposal information. This also sets restrictions for attempting to obtain such information. The Company is committed to full compliance with the Procurement Integrity Act and applicable laws and regulations.

7.0 Risk assessment

A Compliance team shall periodically conduct risk assessment such as observation, monitoring, evaluation, education whether the employees and third parties comply with the company’s ethics regulation and anti-corruption laws faithfully, and shall report the results to the top management.

Chapter 3 Respecting Stockholders

8.0 Protection of stockholder interests

The company has to maximize corporate profits and shareholder values through sound business activities.

8.1 The company has to secure a competitive advantage by efficient business activities to maximize the interests of shareholders.

8.2 The company shall gain the trust of shareholders through transparency management systems.

8.3 The company shall respect the right of knowledge, reasonable demands, appropriate suggestions and the decision making of stockholders.

9.0 Cooperation with Customers

The Company shall promptly notify the Customer (including as government, trading companies or shareholders) in writing of any violation of the contracts or domestic/foreign laws such as contract execution defects, direct/indirect cost fluctuations, cost accounting changes, billing adjustments, limitation of funds clause, corruption occurs, etc. in order to fulfill the responsibilities and obligations to customers. In addition, if it meets the disclosure requirements as any system change/upgrade, billing adjustments or limitation of funds, it should be disclosed immediately in an appropriate way out of company. All employees should actively cooperate when the audit of customers or Companies need to audit or investigate the suspected events.

Chapter 4 Social Coexistence

10.0 Social Contribution

The company shall pursue cooperative developments with the local community based on our role and obligations.

10.1 The company shall create employment opportunities from management activities of the corporate sustainability and fulfill responsibilities and obligations by the payment of taxes.

10.2 The company shall encourage wholesome corporate social responsibility and active participation in community service, disaster relief and enlightenment of society.

10.3 The company shall perform social responsibility and strive for the area of development.

11.0 Win-Win partnerships

The Company shall respect trading companies to grow partnerships and shall deal fairly in good faith all business.

11.1 The Company shall give equal trading opportunities to qualified companies in all business.

11.2 The Company shall select business partners with reasonable steps through an objective and fair process.

11.3 The Company shall not be involved or forced to do corrupt practices from abuse of a dominant position.

7.4 The Company shall propel communal developments and competitiveness improvements through supporting business partners.

11.5 The Company shall make a partnership of mutual trust with business companies and shall recognize each other as strategic partners.

12.0 Protection of the environment

The Company shall make an effort to protect the environment and nature through eco-friendly business.

8.1 The Company shall consider that environmental protection is a top priority in all business.

8.2 The Company shall use resources effectively and shall dispose of hazardous waste safely.

8.3 The Company shall fulfill its promise to prevent pollution and to protect the environment.

8.4 The Company shall comply with applicable environmental internal/external laws and company regulations, and shall try to preserve a clean environment.

Chapter 5 Code of Conduct

13.0 Ensures the Honor and Dignity

All employees shall keep the honor and dignity based on humanity and morality.

13.1 All employees shall always wear neat clothes, have decorous behavior and use dignified language when representing the company.

13.2 All employees must keep the promise and act on the basis of ethics and morality.

13.3 All employees shall not play unhealthy games, gamble and overspend.

14.0 Responsibility of employees

Employees shall agree on the management policy and business regulations of the company and shall carry out faithfully the business mission in accordance with company policy.

14.1 Employees shall perform a given mission giving their best effort and shall understand/comply with the rules and institutions of the company.

14.2 Employees shall predict and manage the possible risks caused by their decisions and then shall have the responsibility for those issues.

14.3 Employees shall actively share the information and knowledge, peer to peer, in order to enhance the effectiveness and efficiency of the work.

14.4 Employees shall make an effort to maximize company values by performing tasks based on management philosophy, business objectives and corporate policies.

15.0 Comfortable environments

Employees shall strive to maintain a safe and comfortable environment.

12.1 Employees shall always keep clean and tidy working environments and shall comply fully with safety rules in any situation.

12.2 Employees shall report and prevent immediately if you recognize the possibility of accidents.

12.3 Employees shall actively cooperate in case of fire, disasters, emergencies etc.

12.4 Employees shall comply with applicable internal/ external safety laws and company regulations.

16.0 Protection of intellectual property rights

The Company and all employees are aware of the importance of intellectual property, therefore, The Company and all employees shall respect and protect our company and third party intellectual property rights.

16.1 Employees shall strive to maintain and secure the company's intellectual property rights and must obtain a prior authorization from the company to provide intellectual property to third parties.

16.2 All employees shall not infringe and use fraudulently any third party's intellectual property rights.

17.0 Records and Security of the company information

All employees shall manage and process all information of the company in accordance with security regulations.

17.1 All information obtained by business activities is clearly written on the basis of the fact and registered in the company's knowledge property.

17.2 All employees shall not disclose company information without prior permissions while at work and even after retirement.

17.3 All employees shall not use fraudulently or unfairly company information. In particular, when company information affecting stock prices should not be used and published without the company's permission.

17.4 All employees shall not make and deliver false information or shall not undermine knowledge property without permission.

17.5 All employees shall record and preserve the company's information until a specified period.

18.0 Inter-relationships

All employees shall keep healthy relationships with each other.

18.1 All employees shall avoid financial transactions with each other such as borrowing money, loan guarantees and solidarity warranties. If necessary, the results shall be documented using transaction certificate. Borrowing money from a junior staff to higher officer is prohibited.

18.2 Gifts between employees can be provided according to "Practice Standards for ethics and compliance (A -04-01)".

18.3 A higher officer shall not instruct unfair work orders unrelated to company business.

18.4 All employees shall not harm healthy peer relationships by engaging in activities such as sexual harassment and Disability discrimination. etc.

19.0 Healthy organizational cultures

All employees shall create a cooperative culture based on open communication, mutual trust and respect towards each other.

19.1 All employees shall promptly resolve friction and conflict between colleagues through the full conversation.

19.2 All employees shall not injure the healthy corporate culture by forming cliques based on school, region, kinship or other discriminatory practices.

19.3 The Company and employees shall develop a stable labor relation based on mutual trust and win-win cooperation.

20.0 Political Participation

All employees shall take notice of political activities such as:

20.1 Employee's political participation and representation are respected. However, It should not be misunderstood as the company's political opinion.

20.2 The Company prohibits illegal contributions, funds or services, directly or indirectly, to political parties or candidates.

20.3 The Company prohibits using organizations and goods including employee work time for political purposes within the company.

Charter6 Responsibilities of Ethics & Compliance regulations

21.0 Employee's obligation and responsibility

All Employees shall periodically acknowledge and comply with this regulation and the department manager of the Company shall annually provide training and consulting to department Employees to fully familiarize themselves with the Regulation. The department manager shall be responsible for taking necessary precautionary measures to prevent potential violations. The results of training and acknowledgment (A pledge) shall be kept as a record at the HR systems.

22.0 Accurate accounting and records

All Employees shall account all payments in accordance with the International Financial Reporting Standards when accounting for such gifts, business courtesies, hospitality, donations, Lecture fee etc. If the cost of

the expenditure or receipt exceeds the company's policy or the national law, it shall be reported to the compliance department and shall be checked for validity. For contracts engaged with a government entity, the company is committed to be in compliance with the National Contracting Laws, Defense Program Regulations, and US False Claims / Statements Act. The company applies accounting and costs in accordance with the regulations set by the government and must make sure that there are no fraudulent claims. When serving as a prime contractor, the Company also has the burden of ensuring that their subcontractors are not submitting a fraudulent claim that results in a false statement to the government.

23.0 Reporting on Prohibited activities and Protection of whistleblowers

In the event that an employee has knowledge that the anti-corruption acts or this regulation has been violated or is suspected of being violated, all Employees shall be responsible for immediately reporting such information to the Compliance Department.

The compliance department shall investigate the nature of the violation reported and the results shall be given to the reporter. The company shall fully protect the identity of the employees who report a case of suspicion or an actual violation and shall not give any disadvantage to them with respect to their employment. In addition, The Company may provide appropriate rewards for employees who report cases of violations after evaluating the contents of such reports.

24.0 Disciplining for Violators

The company may take disciplinary action (from a warning to termination of employment) against an employee who violates the ethics regulations or national laws under its employment regulations or personal policies in addition to taking civil and criminal actions. In addition, if the employees are fined for violating the civil and criminal actions, the company shall not be liable for such result, nor shall the employees be reimbursed for the penalty or any other damages from the company.

Supplementary Provisions

1.0 Date of enforcement

1.1 This regulation was established and effective as of February 1, 2020.

1.2 This regulation was revised and effective as of October 1, 2022.

2.0 Additional standards and Guidelines

Additionally the “Practice Standards for ethics and compliance” is established to strictly comply with this regulation.

3.0 An effort to effectiveness

This policy shall be periodically reviewed and updated on an annual basis for consistency with changes in regulatory or legal requirements.