

[Unofficial Korean-to-English translation provided by Business & Human Rights Resource Centre]

Sinan Solar Salt Corporation (subsidiary of Daesang Corporation) does not directly operate or possess any salt plots. We process the purchasing procedures after negotiating the purchase time and price with the salt farmers in the production group of the Producers' Association, which is a minority shareholder.

In order to select suitable suppliers, Sinan Solar Salt Corporation selects and manages suppliers by evaluating items such as human rights, workplace environment, and quality of salt around April every year. In particular, for the human rights category, we check the supplier's salt production method, labor environment, and direct production. Based on the results, we classify suppliers into three grades to manage and mitigate risks that may arise in the supply chain. Sinan Solar Salt Corporation is aware of the risks in human rights management in the salt industry and will strive to further detail human rights-related items and manage them thoroughly.

Similar to our above response, Sinan Solar Salt Corporation conducts human rights-related evaluations regularly every year, and this evaluation is conducted for all suppliers (farms) in business with Sinan Solar Salt Corporation.

Sinan Solar Salt Corporation is monitoring salt farms' method of production, work environment, direct production, and quality, and such evaluations are enforced and managed using an evaluation standard form.

We are checking the relevant items by completing the evaluation form for all salt farms (in the supply chain) that are in business with Sinan Solar Salt Corporation. To elaborate, Sinan Solar Salt is supplying products after processing the solar salt produced in Docho Island, Sinan to Daesang Corporation. More than 90% of the salt farms producing salt in Docho Island is directly producing salt (self-managed), and we confirmed that even when salt was produced on rented farm plots, no laborers were employed.

We confirmed that Taepyung Salt is not supplying any salt to Sinan Solar Salt Corporation.