Welcome to Dasan Machineries Co., Ltd.
Company Name: Dasan Machineries Co., Ltd
- 798-5, Yongam-ri, Bongdong-eup, Wanju-gun, Jeonbuk (Business Years at current location: 16 years)

Date of Establishment: 11.01.1992
(Date of Incorporation: 06.01.2005)

Working Hours
- Number of Working Hours: 8hrs/day (+2h)
- Working Days: Monday-Friday (Saturday)

Products (for export): Firearm Components (slide, frame, barrel, others)
- Number of Shipment: 2-3 Times/Week
- Export Dependence on the USA: 90%
- Major Airports Used
  1. JFK NY  2. Boston  3. Chicago

Employee Status
- Regular: 162 employees
  ※ Administration: 26, Production: 114, Security: 2, Warehouse Control: 5, Shipment: 1 , IT Control: 3, Quality: 9
  Security Control Manager: 1, Security Control Staff: 1
General Status

- **Company Scale**
  - Office Space: 3,121 sq. ft.
  - Warehouse Space: 5,167 sq. ft.
  - Other Space: 62,878 sq. ft.

- **Certification Status**
  - ISO 9001, 14001
  - ISO/TS 16949
  - SQ
  - AEO in Progress

- **Major Customers**
  - Remington arms company INC 27%
  - Springfield armory 21%
  - Sigsauer 21%

- **Major Transportation Companies/Airlines**
  - E-MAX 99%
  - Major Airlines: Korean Airlines, Air Freight 100%

- **Security Partner:** S1
Company History

- 1992 Establishment
- 1993 License for Firearm Component Manufacturing (National Police Agency of Korea)
- 1996 Completion of New Plant (Jeonju 3 Complex)
- 1998 Selected as a promising SME (Small and Medium Business Administration)
- 2000 Selected as a promising SME (Jeollabuk-do)
- 2001 ISO9001 Certification (GCS Certification Institute)
- 2002 Million Dollar Export Tower Award (Korea Foreign Trade Association)
- 2004 Letter of Appreciation from the Minister of Defense (for Localization of Military Supplies)
- 2004 CLEAN Business Site Certification (Ministry of Employment and Labor)
- 2005 Incorporation of Dasan Machineries Co., Ltd
- 2006 Selected as Technology Innovation Type SME (INNO-BIZ)
- 2006 Selected as a Venture Company
- 2006 3 Million Dollar Export Tower Award (KFTA)
- 2007 Jeonbuk Economic Grand Award
- 2007 5 Million Dollar Export Tower Award (KFTA)
- 2008 ISO14001 Certification
- 2008 Establishment of Dasan Research Center
- 2010 10 Million Dollar Export Tower Award (KFTA)
- 2010 Selected as Future Global ‘Small but Strong’ company (SMBA)
- 2010 Award in Recognition of SME Promotional Effort (Minister of Knowledge Economy)
- 2011 SQ, ISO/TS16949 Certifications
- 2011 Selected as an SME with good working environment (Jeollabuk-do)
- 2012 Award of Excellent SME Leader (SMBA)
- 2012 Award of Trade Businessman who brought honor to Korea (KFTA)
Major Products (Pistol Parts)
## Major Facilities

<table>
<thead>
<tr>
<th>Machine Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vertical MC</td>
<td>53</td>
</tr>
<tr>
<td>Horizontal MC</td>
<td>9</td>
</tr>
<tr>
<td>CNC Lathe</td>
<td>8</td>
</tr>
<tr>
<td>EDM</td>
<td>8</td>
</tr>
<tr>
<td>Milling Machine</td>
<td>11</td>
</tr>
<tr>
<td>Grinding Machine</td>
<td>6</td>
</tr>
<tr>
<td>Barrel Machine</td>
<td>8</td>
</tr>
<tr>
<td>Broaching Machine</td>
<td>5</td>
</tr>
<tr>
<td>Gun-drill Machine</td>
<td>2</td>
</tr>
<tr>
<td>Gun-reamer Machine</td>
<td>2</td>
</tr>
<tr>
<td>Sand Blast Machine</td>
<td>4</td>
</tr>
<tr>
<td>Brush Machine</td>
<td>1</td>
</tr>
<tr>
<td>Spray Cleaning Machine</td>
<td>3</td>
</tr>
<tr>
<td>Press Machine</td>
<td>6</td>
</tr>
<tr>
<td>Lathe</td>
<td>3</td>
</tr>
<tr>
<td>Packaging Machine</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>130</strong></td>
</tr>
</tbody>
</table>
Security Management System

Security Management Policy

1. Understand and comply with domestic and foreign laws and regulations necessary for security management.

2. Acknowledge the importance of all stakeholders in and out of the organization and promote the awareness of security system through periodic education and training.

3. Achieve continuous improvement of security management system through the periodic assessment and review of security threat and emergencies.

4. Try to accomplish safe trade transactions by clearly understanding and carrying out essential security consciousness by all employees.
Security Management System

Security Organization

Chair of Security Management Commission, Kim Byung-Hak/CEO

Vice Chair of Security Management Commission, Park Cheong-Woo/Administrative Director

Security Management Manager, Jang Jun-Yeong/General Affairs Section Chief

Facility Security
Kim Hyung-Ju/General Affairs Section

Logistics Security
Kim Young-Jae/Director, Special Business Dept.

Personnel Security
Kim Young-Ho/Assistant section chief, General Affairs Dept.

IT Security
Kim Kyung-Man/Deputy General Manager, Planning Team

Subcontractor Security
Jeong Chang-Sik/Director, Quality Control Team
## Security Management System

### Security Supply Chain

<table>
<thead>
<tr>
<th>Dasan Machineries Co., Ltd.</th>
<th>E MAX Special Air Delivery</th>
<th>Incheon Airport</th>
<th>Custom Service Broker</th>
<th>Korean Airlines</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main Business</strong></td>
<td>Manufacture, Packaging, Shipment</td>
<td>Land Transport</td>
<td>Bonded Area</td>
<td>Export Declaration</td>
</tr>
<tr>
<td><strong>Security Target</strong></td>
<td>Physical and personnel, Procedure, IT security</td>
<td>Cargo sealing, Route tracking, Driver security</td>
<td>Security Check</td>
<td>EDI, Shipping Invoice, and Export Documents</td>
</tr>
<tr>
<td><strong>Dept. in Charge</strong></td>
<td>Special Business Dept.</td>
<td>Special Business Dept.</td>
<td>Special Business Dept.</td>
<td>Special Business Dept.</td>
</tr>
</tbody>
</table>

### New York Airport

<table>
<thead>
<tr>
<th><strong>Main Business</strong></th>
<th>Bonded Area</th>
<th>Land Transport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacture, Packaging, Shipment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Security Target</strong></th>
<th>Security Check</th>
<th>Cargo sealing, Route tracking, Driver security</th>
<th>Product Quantity, Product damage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical and personnel, Procedure, IT security</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Dept. in Charge</strong></th>
<th>Special Business Dept.</th>
<th>Special Business Dept.</th>
<th>Special Business Dept.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Business Dept.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Security Management System

Security Management Implementation and Operation

1. Transport Vehicle Cargo/Transport Security
2. Sealing Safety Management
3. Transport Tracking
4. Monitoring and Inspection
5. Safety Training Check
6. Information System Security
7. Personnel Security
8. Procedure Security
9. Physical Security and Access Controls
Security Management System

Security Management Implementation and Operation

1. Transport Vehicle Cargo/Transport Security
   - Periodically check the damage to cargo box according to transport management procedures of subcontractors
   - Check the damage to cargo box before loading the products
   - Security management according to driver security pledge
   - Security management according to prior registration and license of transport vehicles

2. Seal Security Management
   - Install the locking device and carry out the lock sealing by the security staff after loading the products.
   - Check the sealing condition at the product destination.

3. Conveyance Tracking/ Monitoring
   - Tracking of the departure and arrival route of transport vehicle
   - Check the vehicle log and report in the case of breakaway from route
Security Management System

- Supply Chine
4. Monitoring and Inspection of Transport Vehicle Cargo Box
- Cargo box inspection during the regular transport vehicle inspection
- Prepare the management history during the repair and maintenance of cargo box
- Regular self-inspection of transport vehicle every month

5. Security Awareness
- Carry out the education and training according to annual security management plan
- Carry out the regular security education for all employees
- Security manual education (Self-education for security staff)
- Emergency training for security accident according to each different scenario
- Obligatory security education for new employees

6. Information System Security
- Firewall construction for all personal PC and servers of the company
- Encryption of all devices
- Management of individual ID, password, virus, antispyware, and incoming/outgoing mails
- Construction of network security system
Security Management System

- IT Security System

**Diagram Description:**
- External Firewall: Cuts off hacking and spam mails.
- Securedisk: Controls security document, internet e-mail, and mobile storage device.
- User Group: Connected to the Internal Network.
7. Personnel Security

- Disciplinary measures on security non-compliance employees

- For the new employees
  - Security confidentiality compliance pledge
  - Health check-up
  - Criminal record verification

- At retirement
  - Individual information and confidentiality compliance pledge
  - Deletion of employee ID No., computer ID, and password

8. Procedure Security

- Restriction of the access to products and export-import documents
  - Operation of special zone and restricted zone

- Restriction of transfer of documents and files
  (Concurrent operation of IT security system)

- Thorough checking of the cargo related documents
  (CASE BY CASE)
9. Physical Security and Access Controls
   - Designation of control zone and restricted zone in product storage facilities
   - Security facilities in overall company areas
     (Operation of CCTV, infrared system, lighting system, and security gate)
   - Periodic inspection of the facilities to check any abnormality
     ※ Security assistant (daily), Security staff (weekly)
   - 24 hour monitoring and patrol by security staff
   - Installation of restricted employees’ access facilities
   - Visual monitoring of the vehicles and parking zone
   - Prior permission and registration of the vehicles
   - Monitoring of the visitors to restrict their access to control zone
     ※ Visitor escort and movement monitoring by customer service employees for the whole company area
   - ID card issuance and management to distinguish the employees from external workers or subcontractor workers
Security Management System

- Security check during the commuting hours
Security Management System

Security Facilities
1. CCTV (13 places)
2. Movement/ Monitoring Sensor (50 places)

- 열감지 센서: 29개소
- 동작감지 센서: 21개소

Security Management System
Thank You!