

Hyosung Heavy Industries

Human Rights Management Declaration

Hyosung Heavy Industries is dedicated to realizing its corporate philosophy of becoming a "global enterprise operating on the foundation of respect for humanity." To this end, we publicly support and respect the Guiding Principles on Business and Human Rights (UNGPs) established by the United Nations Human Rights Council, the Universal Declaration of Human Rights, the core conventions of the International Labour Organization (ILO), and the labor standards defined under domestic labor laws.

1. Scope

This declaration applies to all domestic and international employees within the company's financial consolidation scope. It also extends to all stakeholders directly or indirectly associated with the company, including business partners, agents, outsourcing partners, clients, and local communities. Additionally, the company strongly encourages compliance with this declaration across the entire value chain, including its business partners.

2. Governance

The ESG Management Promotion Committee, which operates under the direct supervision of the CEO, and the Risk Management Committee monitor key issues and updates on human rights management identified by the relevant departments. Furthermore, by integrating KPI performance related to ESG management activities, including human rights management, into evaluation criteria and managing these systematically, the company is dedicated to mitigating human rights risks both internally and externally.

3. Human Rights Risk Management System

Hyosung Heavy Industries is committed to minimizing the potential for human rights risks that may arise during its business operations. The company conducts an annual company-wide Human Rights Impact Assessment to proactively identify human rights issues and potential risk factors specific to its business model. Additionally, it analyzes risks by stakeholder group and implements mitigation measures accordingly.

4. General Principles

Hyosung Heavy Industries has established 7 Human Rights Management Principles based on the UNGC 10 Principles.

1) Non-Discrimination and Humane Treatment

- The company shall not discriminate against employees in terms of employment, promotion, and/or education based on factors such as gender, religion, disability, age, social status, national origin, ethnicity, physical conditions such as appearance, marital status, family type or status, race, color, ideology or political opinion, sexual orientation, or medical history.

- The company shall not tolerate acts of sexual harassment, mental or physical coercion, verbal abuse, or any harsh and inhumane treatment. Additionally, the company shall strive to enhance employees' awareness of human rights by conducting annual workplace sexual harassment prevention training and disability awareness education.

2) Privacy Protection

- The company shall not collect employee data without permission, and when a collection is necessary, the Company shall notify the employees in advance and obtain their consent.
- The company shall acknowledge that customer data is a valuable asset, request only the bare minimum of information, and employ technical and physical safeguards to protect customer data.

3) Compliance with Working Conditions

- The company shall adhere to the legal working hours of each country in which it operates and establish working hours that include breaks.
- The company shall not require overtime work that employees do not agree to, and in the event that overtime work is unavoidable, it shall compensate employees in a fair manner.

4) Prohibition of Workplace Harassment

- The company shall not allow workplace harassment, in which an employee abuses their position or relationships to cause physical or mental distress or to worsen the working environment. Upon a victim's request, the company shall take appropriate measures, such as relocation or reassignment, and shall impose necessary actions on the perpetrator, including disciplinary measures.
- The company shall not tolerate discrimination or harassment and shall actively work to prevent such conduct by providing training and guidance through various internal channels. Additionally, the company shall strive to foster a workplace culture that respects human dignity.

5) Freedom of Association

- The company shall respect the freedom of association and collective bargaining of employees and ensure the establishment and operation of legitimate bargaining groups in accordance with local labor laws.
- The company shall not treat employees unfavorably based on their union membership or the union's reasonable business practices.

6) Occupational Safety Assurance

- The company shall prioritize the safety and health of its employees as well as local communities when determining its management policies.
- All workers of the company shall adhere to relevant regulations, such as the "Environmental Management Policy," and the Company shall guarantee a safe workplace for all employees by eliminating workplace hazards, performing work in accordance with risk prevention measures and safety rules, providing personal protective equipment, and conducting regular safety training.

7) Prohibition of Forced Labor and Child Labor

- The company shall comply with labor laws in each country where it operates and shall not force any form of involuntary labor. It shall adhere to the minimum employment age and, in principle, prohibit all forms of child labor, except as permitted by law.
- The company shall ensure that employment and all tasks performed by employees remain voluntary under all circumstances. Unless otherwise stipulated by contract, the company shall guarantee employees the right to resign voluntarily.

Hyosung Heavy Industries shall uphold human rights management as a fundamental principle of its business operations and prioritize the human rights of all stakeholders. Through these efforts, the company shall strive to fulfill its social responsibility as a global enterprise.

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Hyosung Heavy Industries CEO

Woo Tae-hee

