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HYUNDAI E&C D&I Policy (Diversity & Inclusion Policy)

2022.08.

[Responsibility]

[Approver]

Hyundai E&C Sustainability Team

(Signature)


Hyundai E&C IR Group

(Signature)


1. Overview

A. Purpose of enactment

HYUNDAI E&C has established a D&I policy to create an organizational culture that helps diverse talents develop both creative and challenging thinking to contribute to the transition to an inclusive society. We also promise not to discriminate against employees for such reasons as gender, race, ethnicity, nationality, cultural background, disability, age, individual gender identity, political/religious beliefs, or social status without any reasonable reasons. We further vow to create working environments where employees with diverse backgrounds can realize the values of diversity and inclusion. We will also work hard to become a company that respects the diversity and inclusion of customers, partners, local communities, and various stakeholders.

B. Scope of application

This policy applies to all members of HYUNDAI E&C, domestic/overseas production and sales corporations, subsidiaries and sub-subsidiaries, and executives and employees of joint ventures. In case the matters covered by this policy conflict with the local country's laws, the local laws shall be followed first. However, this policy must be complied with unless there are special provisions in the local country's laws, the articles of organizations, or the company rules.

C. Management system

HYUNDAI E&C will build an internal system necessary to implement the basic principles of this policy, regularly inspect and improve the status of diversity and inclusion, and fully share the results with stakeholders. Furthermore, the dedicated diversity organization of HYUNDAI E&C, etc., will implement a diversity and inclusion management system by the principle of good faith by actively reflecting social change. We will also continue to improve the management system to establish a culture of diversity and inclusion throughout business operations.

2. Basic Principle

- **[Employees]** HYUNDAI E&C shall prohibit discrimination against employee's gender, race, ethnicity, nationality, cultural background, age, individual gender identity, differences in

political and religious beliefs, weakness in social status, etc., without due reasons, and provide equal opportunities in employment, promotion, education, wages, and welfare.

- **[Products and Services]** HYUNDAI E&C shall consider the diversity of stakeholders, including customers, in the process of designing, producing, and selling products and services. The Group shall ensure that the values of diversity and inclusion are not infringed in marketing, branding, and other internal and external public relations.
- **[Supply Chain]** HYUNDAI E&C shall monitor diversity and inclusion issues in the supply chain to ensure their value is not infringed upon and support all supply chains and individuals to receive fair opportunity and treatment.
- **[Local Community]** HYUNDAI E&C shall not infringe on other rights and interests, such as local community history, culture, business practices, property rights, etc., in the course of business operation. The Group shall strive to promote diversity and inclusion of stakeholders, including community members.

Article 1. Gender

HYUNDAI E&C shall treat all employees and stakeholders equally, regardless of gender, gender identity, sexual orientation, etc., and apply the zero-tolerance principle to perpetrators of sexual harassment and sexual assault. Also, the group shall operate a system that allows both men and women to pursue work-family balance while preventing unfair treatment and disadvantages due to pregnancy, childbirth, childcare, etc.

1. We do not discriminate based on gender, etc., in employment, promotion, education, wages, welfare, etc.

2. We guarantee leave due to pregnancy, childbirth, childcare, etc., and do not discriminate on leave based on gender.

3. We regularly provide education on sexual harassment and sexual assault prevention and gender equality and protect victims' rights.

Article 2. Race, nationality, and cultural background

HYUNDAI E&C shall not discriminate based on its employees' ethnicity, race, nationality, cultural

background, religion, etc., without due reasons. We encourage the expression of opinions and active communication of minority groups such as foreigners, immigrants, overseas Koreans, multicultural families, and North Korean defectors, as long as the same does not infringe upon the rights of others. In addition, we support language education, etc., to help minority groups improve their job performance and develop themselves.

1. We respect our employees' diverse cultures, values, and religions and do not allow discrimination based on the same.
2. We pursue harmony of diverse cultures among employees by providing language and cultural education and opportunities for mutual communication.
3. We encourage exchange activities between employees and stakeholders from various backgrounds (Employee Resource Group).

Article 3. Age

The employees of HYUNDAI E&C shall respect and communicate with each other in an open manner, regardless of age, and strive to create an organizational culture that can resolve conflicts from generational differences. In addition, everyone shall be free to express their opinions, and we shall improve organizational productivity and creativity through a work culture that listens to others' views. In particular, we shall not impose unnecessary hierarchies based on age or interfere with others' work unnecessarily.

1. We work with mutual respect and encourage a horizontal atmosphere among our employees.
2. We create an organizational culture where active communication can take place, not restricted by age.
3. We do not impose unnecessary hierarchies or personal needs or infringe on privacy based on age.

Article 4. Disability

HYUNDAI E&C shall not discriminate against employees based on disability or disease without reasonable grounds. We shall create an environment where employees with disabilities or illnesses can work without discomfort. We encourage educational activities and awareness-raising campaigns

to eliminate invisible barriers and discrimination as well as physical conditions.

1. We prohibit all acts such as discrimination and harassment in the workplace based on disability or disease.
2. We provide equipment and materials necessary for executives and employees with disabilities to perform their duties without restrictions.
3. We strive to implement a work environment that considers the accessibility of employees with disabilities.

Article 5. Veterans

HYUNDAI E&C honors veterans and their families, such as those of national merit and independence, during the recruitment process. We promote community contribution activities such as education and employment programs, life stability support, and welfare promotion to support the honorable life of veterans who have contributed to national development and security.

1. When hiring, we encourage an employment policy that gives preference to veterans and their families, such as those of national merit and independence.
2. We strive to support economic activities such as education and employment support for veterans.
3. We strive to contribute to the local community by promoting stability in life and the improvement of the welfare of veterans.

3. Employees

HYUNDAI E&C believes that diverse talents and an inclusive organizational culture are the basis for its sustainable growth. The Company respects and encourages its employees' creativity and potential regardless of gender, race, nationality, cultural background, or age. HYUNDAI E&C will enhance its global business competitiveness based on the creativity and potential of its diverse employees.

A. Human Resource Planning

HYUNDAI E&C affiliates are establishing a mid-to-long-term human resource operation plan, taking internal and external environmental changes, business strategies, and the knowledge and skills of employees into account. We will review a workforce plan in the future, considering diversity such as gender, race, ethnicity, nationality, cultural background, and age.

B. Education and Mentoring

HYUNDAI E&C affiliates support individual employees in improving their knowledge and skills through education and competency development activities. We will provide all our employees with equal opportunities to participate in education while developing educational programs that consider diversity and inclusion in the future.

We will ensure no restrictions on opportunities to participate in education by identifying the needs of various employees' training programs and developing training programs where employees can participate.

We will also promote activities to improve organizational culture and campaigns to spread a culture of diversity and implement the 'Diversity Mentoring Program' to build rapport among the same groups.

C. Performance evaluation

HYUNDAI E&C affiliates have set organizational and individual goals for employee performance evaluation and have been working hard to achieve them. In the future, we will build a comprehensive performance evaluation system to prevent bias and disadvantages due to diversity in the employee performance evaluation process.

D. Compensation

HYUNDAI E&C affiliates ensure no discrimination or disadvantage in compensation due to gender, race, ethnicity, nationality, cultural background, age, etc. We will build a reasonable and transparent compensation system in the future.

E. Employee Resource Group

HYUNDAI E&C affiliates encourage ERG activities where employees with a common interest in diversity and inclusion and a common diversity background can communicate and share culture. We recognize that ERG's active opinions are the foundation for diverse and inclusive corporate growth and support the spread of ERG activities.

- We recognize that it is an opportunity to form better teamwork when executives and employees with a common diversity background share interests and exchange cultures.
- We encourage the formation of various types of ERGs such as women, MZ generation, those ready to retire, the disabled, veterans, black/African, Hispanic/Latin, etc.
- We encourage all our employees to participate in at least one ERG to create a culture of diversity and inclusion within the organization and to spread positive influence among employees.
- We will support external link activities such as mentoring, cultural exchange, job/leadership education, and community participation to promote and spread a culture of diversity while activating the ERG.

<TABLE1. Domestic ERG activity Case >

Certification of Family Friendly Company	Hyundai Engineering & Construction has obtained family-friendly company certification in 2017 and is striving to create a happy working condition. In addition, we support female employees to give birth and raise their children to maintain certification of family-friendly company	Female Employees ERG
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F. Operating system

HYUNDAI E&C affiliates operate an organization dedicated to promoting diversity and inclusion within the organization. We are also trying to realize the value of diversity and inclusion at the company level by reviewing essential matters in the spread of diversity and inclusion by the Board of Directors(hereafter BOD).

[Role of the Board of Directors] The BOD receives reports on our agendas related to diversity

and inclusion and provides practical recommendations with sufficient review on major agendas.

[Role of the Dedicated Organization] The dedicated organization performs functions such as planning, implementation, inspection, evaluation, and improvement to spread a culture of diversity and inclusion within the organization.

- ① The dedicated organization will establish specific goals based on the basic principles of diversity and inclusion and set annual activity plans to internalize a culture of diversity and inclusion.
- ② The dedicated organization will monitor whether the goals and activities set concerning diversity and inclusion are being implemented as planned every year.
- ③ The dedicated organization will develop/operate/support programs to promote diversity and inclusion and encourage active participation of employees.
- ④ The dedicated organization will collect important issues and agendas related to diversity and inclusion at all times and report them to the board of directors or management.
- ⑤ The dedicated organization will collect activity/performance information related to internal and external diversity and inclusion and actively communicate it to stakeholders.

D&I dedicated organization communication channel

- **Department name: Sustainability Team**
- **Email: Ch.ahn@hdec.co.kr**
- **Phone: 02-746-2935**

[Organizational Diversity Diagnosis] The dedicated organization will carry out the following activities to internalize diversity and inclusion in the organization and manage risks each year.

- ① The dedicated organization will develop diagnostic indicators based on the basic principles of HYUNDAI E&C diversity and inclusion to identify the level of diversity and inclusion of the organization and diagnose the related risks.
- ② The dedicated organization will evaluate the level and risk status of the organization in writing (on-desk) through diversity and inclusion diagnostic indicators and analyze the results to derive priorities for improvement.
- ③ The dedicated organization will identify potential risks for which high risks are identified as a result of the written evaluation of diversity and inclusion through stakeholder interviews and

due diligence (on-site).

④ The dedicated organization will prioritize risks identified through written evaluation and due diligence and prepare future tasks and improvement measures.

⑤ The dedicated organization will identify the implementation status of improvement measures, etc., and support the development of diversity and inclusion in a better direction through a constant feedback process.

4. Products and Services

HYUNDAI E&C will provide products and services that consider accessibility for all customers and lead customer experience innovation that enables customers with diverse backgrounds to use our products and services easily and conveniently anytime, anywhere.

- We will reflect diversity factors in the design and production of products and services.
- We will not discriminate based on diversity in the sales and marketing process of products and services.
- We will try to identify customers' needs from various backgrounds and improve them.
- We will actively collect opinions on diversity issues arising from products and services.

5. Supply Chain

HYUNDAI E&C manages diversity risks such as discrimination in the supply chain, following the supplier code of conduct. In addition, we will support activities to promote diversity and inclusion in the supply chain to spread the value of diversity and inclusion throughout the industrial ecosystem.

- We will spread the value of our diversity and inclusion to all suppliers in the supply chain.
- We will enhance the system to identify, evaluate, and improve risk factors related to diversity in the supply chain.
- We will support education, investment, and mutual exchange activities necessary to promote diversity and inclusion in the supply chain.

6. Local Community

HYUNDAI E&C is spreading the values of diversity and inclusion to the local community through social contribution activities and communication. We will also regularly check whether our business operations violate the values of diversity and inclusion.

- We will spread and share diversity and inclusion education and mentoring with the local community.
- We will encourage ERG's community participation and interactions with the local community.
- We will consider diversity and inclusion factors in the social contribution program planning process.

7. Appendix

A. Diversity data

<Template 1, Employees by gender, Unit (%)>

Classification	2019	2020	2021
Percentage of women in the total workforce	5.33%	11.02%	11.10%
Percentage of women in total managerial positions	4.93%	4.01%	4.14%
Percentage of Women in Junior Management Positions	11.09%	11.54%	12.55%
Proportion of women in top management positions (C-Level or equivalent)	1.06%	2.54%	2.51%
Percentage of women in revenue-generating positions (Excluding supporting departments such as HR, IT, and law)	3.32%	10.89%	10.15%

<Template 2-1, Employees by nationality out of total employees, Unit (%)>

Classification	2019	2020	2021
Asia	99.525%	99.663%	99.599%
Europe / CIS	0.248%	0.176%	0.192%
America	0.165%	0.128%	0.176%
Africa	0.062%	0.032%	0.032%

<Template 2-2, Employees by nationality out of total managerial positions, Unit (%) >

Classification	2019	2020	2021
Korea	100%	100%	100%
US	-	-	-
China	-	-	-
India	-	-	-

<Template 3-1, Employees by other diversity out of total employees, Unit (%)>

Classification	2019	2020	2021
By age	-	-	-
- under 30	4.79%	8.93%	8.93%

- Over 30, under 50	76.71%	74.98%	74.98%
- Over 50	18.50%	16.09%	16.09%
Disability (domestic standard)	2.38%	2.73%	2.73%
National merit	1.17%	1.15%	1.15%

※ As of January 1 to December 31 of the current year

B. Diversity Self-Assessment Indicator

<1. Organizational Governance>

CHECKLIST	YES	NO
Does the organization establish diversity and inclusion policies and goals and designate executives to implement them?	√	
Does the organization establish and implement action plans by the principle of diversity and inclusion? Or, is there a dedicated organization to oversee conduct that violates the principles of diversity and inclusion?	√	

<2. Organizational leadership >

CHECKLIST	YES	NO
Does the organization have an appropriate support system in place, such as allocating the necessary budget and human resources to implement the diversity principles and goals?	√	
Does the organization understand the impact of its products and services on stakeholders, including customers, in terms of diversity and inclusion?	√	
Does the organization spread/share a culture of diversity and inclusion by establishing codes of practice and behavior patterns for diversity and inclusion and delivering them to employees and related stakeholders?	√	

<3. Organizational Responsibilities for Diversity >

CHECKLIST	YES	NO
Does the organization have working guidelines for policies, systems, procedures, activities, and other practices that promote diversity and inclusion?	√	
Is the organization taking measures to promote the participation of marginalized groups in terms of diversity and inclusion?	√	

Does the organization have a mechanism for handling grievances related to diversity and inclusion, and treat all stakeholders, including whistleblowers/victims, fairly?	√	
Does the organization collect and analyze relevant data to measure the impact of diversity and inclusion on business performance or organizational culture?	√	
Does the organization go through the process of collecting stakeholder opinions when enacting/revising diversity and inclusion policies or preparing related working guidelines?	√	
Does the organization disseminate its principles of diversity and inclusion to external stakeholders such as customers, supply chains, and communities?	√	
Does the organization disclose major diversity and inclusion activities and performances through annual reports such as the sustainability report?	√	

<4. Diversity Promotion Culture >

CHECKLIST	YES	NO
Does the organization have channels through which employees can express opinions or make suggestions on organizational diversity and conflicts and try to improve them?	√	
Does the organization consider diversity in the process of collecting and analyzing data related to business operation, organizational culture, and work method? Does the organization use the results of a diversity-related analysis to improve policies, systems, and processes related to the organization's business operations, culture, and work methods?	√	
Does the organization have a channel to receive complaints from employees of the vulnerable working class, such as the disabled and those returning from parental leave?	√	

<5. Human resource planning >

CHECKLIST	YES	NO
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Does the organization establish a human resource management plan by reflecting its mid-to-long-term business strategies and business goals and reflect the principles of diversity and inclusion in the plan?	√	
Does the organization fairly operate HR policies, procedures, not to mistreat various employees due to prejudice in the HR process?	√	
Does the organization check whether the underprivileged are sufficiently employed within the organization compared to the average by industry and country?	√	

<6. Compensation >

CHECKLIST	YES	NO
Does the organization determine salaries and benefits fairly and transparently, based on the principles of diversity and inclusion?	√	
Does the organization pay equal wages for work of equal value and prevent discrimination and disadvantages in wages from the viewpoint of diversity and inclusion?	√	
Does the organization operate sufficient programs for work-life balance, such as parental leave, flexible working systems, and work-from-home systems?	√	
Does the organization communicate salary and benefit-related information to all employees in an accessible and transparent manner?	√	
Does the organization collect data that can confirm the level of satisfaction or dissatisfaction with the compensation level and welfare benefits?	√	

<7. Employment >

CHECKLIST	YES	NO
Does the organization advertise hiring through various online and offline platforms and media and uses a language that various people can understand?	√	

Does the organization set diversity principles and standards in the hiring process, and is it sharing them with internal hiring managers and external hiring (agent) companies?	√	
Does the organization fairly provide opportunities for various candidates to demonstrate their abilities by improving the test method and accessibility of the interview location?	√	
Does the organization recruit and actively accept people from various regions, cultural backgrounds, and major knowledge?	√	
Does the organization review and improve the results of its recruitment strategies and activities from the perspective of diversity and inclusion?	√	

<8. New employee training >

CHECKLIST	YES	NO
Does the organization recognize new hires' particular needs (chronic disease, disability, etc.) for the work environment and facilities and provide necessary support and adjustments?	√	
Does the organization identify and respond to each new employee's learning and development needs, advancement opportunities, and coaching and mentoring requests?	√	
Does the organization collect data on the level of participation of new hires in training courses, their satisfaction with training courses provided by the organization, etc.?	√	
Does the organization communicate the responsibility of new hires to work in an inclusive and respectful manner and clearly set the organization's behavioral expectations of them?	√	
Does the organization provide new hires with information (such as descriptions of feedback mechanisms) for assistance in resolving diversity and inclusion issues or complaints?	√	

<9. Learning and development >

CHECKLIST	YES	NO
Does the organization analyze individual and organizational learning needs and establish programs that all employees can use through	√	

coaching and mentoring?		
Does the organization reflect diversity principles in learning and development policies, etc., and design learning and development activities to raise diversity awareness?	√	
Does the organization work with trainers, mentors, etc., that reflect diverse perspectives and values, and provide leadership development training about inclusive workforce management practices?	√	
Does the organization collect data to identify and evaluate the effectiveness of learning and development and data on the development of individuals and organizations?	√	

<10. Performance management >

CHECKLIST	YES	NO
Does the organization establish performance management standards to minimize bias in evaluation and set performance management goals that reflect diversity principles?	√	
Does the organization provide a mechanism for employees to leave feedback on performance management processes and results and collect data on satisfaction?	√	
Does the organization have a process in place to respond to potential evaluator biases and inequalities or violations of diversity in the evaluation process when an employee requests additional explanation about performance management results?	√	

<11. Personnel transfer>

CHECKLIST	YES	NO
Does the organization identify and monitor diversity opportunities and risks associated with projects and dispatches that may require relocation, such as overseas dispatches, returning to the country, etc.?	√	
Does the organization fairly allocate tasks according to skills, knowledge and capabilities, ensure that work content is accessible, and communicate related information transparently?	√	

Does the organization identify and consider individual circumstances, such as family and health conditions, that may influence decisions to accept or reject work assignments and relocations?	√	
Does the organization provide an institutional and cultural basis for individuals who reject personnel transfer to perform and complete work assignments without disadvantages?	√	
Does the organization collect data to determine satisfaction or dissatisfaction with personnel transfer policies, processes, practices, and results?	√	

<12. Resignation and turnover >

CHECKLIST	YES	NO
Does the organization investigate the influence of diversity factors in the decision-making process before the resignation and turnover of employees and use the results to improve the organizational culture?	√	
Does the organization receive feedback on prejudice and discrimination in the decision-making process before the resignation and resignation of employees and determine whether there has been any unfair treatment of the resigned employees?	√	
Does the organization identify potential discrimination by collecting diversity-related data on resigned employees, particularly by identifying groups with high resignation rates?	√	
Does the organization provide support for prospective resigning employees, such as government support after resignation, information on job opportunities, and grievance counseling?	√	

<13. Products and Services – Designing, Development, and Delivery>

CHECKLIST	YES	NO
Does the organization strive to provide inclusive customer service by reflecting the principle of diversity in the entire process, from product and service design to supply?	√	
Has the organization conducted market research in advance to understand the needs of customers and users in terms of diversity and identify unmet needs?	√	

Does the organization use positive images and inclusive language of people from diverse backgrounds in marketing and advertising its products and services?	√	
Does the organization ask for feedback from various stakeholders on satisfaction with its products, services, and customer services?	√	

<14. Supply chain relationship>

CHECKLIST	YES	NO
Does the organization reflect the principle of diversity at each stage of the supply process and periodically review diversity in relevant policies, procedures, and suppliers' performance?	√	
Does the organization promote supply chain diversity by reviewing offers from different suppliers and giving opportunities to those who are demographically underrepresented?	√	
Did the organization collect supplier supply chain data through a preliminary survey during the supplier selection stage and reflect the conformity to the diversity principle as the selection criteria?	√	
Does the organization include clauses requiring the humane treatment of workers in its contracts with suppliers and monitor the diversity performance of its supply chain?	√	
Has the organization worked with suppliers to develop economic opportunities by sharing diversity experiences and expertise and enhancing stakeholder and community relationships?	√	
Does the organization ensure an inclusive and safe working environment for workers in its supply chain and encourages suppliers to treat workers with dignity?	√	

<15. External Stakeholder Relationships>

CHECKLIST	YES	NO
Does the organization evaluate the importance, influence, etc. of external stakeholders to identify opportunities and risks of diversity objectives?	√	
Does the organization determine diversity issues to prioritize, considering stakeholder needs and influence, and develop	√	

stakeholder engagement strategies?		
Does the organization carry out social contribution activities such as support for the underprivileged and volunteer work to promote its diversity goals and realize them?	√	
Does the organization communicate diversity principles and objectives when establishing and maintaining external stakeholder relationships and reviewing diversity press releases related to them?	√	
Does the organization evaluate and report progress toward achieving its diversity goals in its annual report, website, etc.?	√	

C. References

This D&I Policy has been established with reference to domestic/international standards and initiatives.

- ① ILO, Promoting Diversity and Inclusion through Workplace Adjustment – Practical Guide (2016)
- ② ISO, ISO30415:2021 Human Resource Management – Diversity and Inclusion (2021)
- ③ S&P Global, CSA Companion – Workforce Breakdown (2021)
- ④ The Centre for Global Inclusion, Global Diversity, Equity & Inclusion Benchmarks (2021)
- ⑤ UNDP, Gender Diversity and Inclusion for a Fair Business Environment (2021)
- ⑥ UNHCR, Policy on Age, Gender and Diversity (2018)
- ⑦ UNSDG Goal 8 – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (2016)
- ⑧ WEF, Measuring Stakeholder Capitalism – Diversity & Inclusion (2020)
- ⑨ GRI, Standards 405 – Diversity and Equal Opportunity (2016)

D. Additional clause

- ① This D&I Policy is to be enacted as of 2022. 08.16 and distributed to HYUNDAI E&C.