

Document No.	A75-20230831-002
Last Edited	August 31, 2023
Managed by	HR/Corporate Culture Team

Hyundai Capital Human Rights Charter

August 31, 2023

[Managed by]

HR/Corporate Culture Team

Senior Manager **Jidong Son**

[Approved by]

Head of Corporate Service Department

Vice President **Joseph Lee**

1. INTRODUCTION

A. Purpose of Establishing the Charter for Human Rights

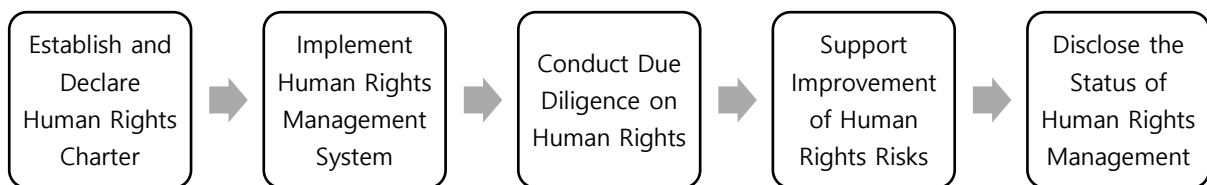
Hyundai Capital proclaims the Charter for Human Rights in order to proactively conduct human rights management as well as to prevent human rights violations and mitigate related risks in the process of running its businesses. For human rights management, Hyundai Capital is committed to complying with a wide range of internationally recognized human rights/labor-related standards and guidelines such as the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, International Labor Organization Constitution, OECD Guideline for Multinational Enterprises and OECD Due Diligence Guidance for responsible Business Conduct, among others. Hyundai Capital shall make an effort to identify a negative impact of business activities on human rights, prevent and mitigate such a negative impact, and prepare a relief process in order to minimize the impact of the damage caused to human rights.

B. Scope of Application of the Charter for Human Rights

This Human Rights Charter shall apply to all officers and employees (including those working in irregular positions) of Hyundai Capital, including corporate entities, subsidiaries and joint ventures at home and abroad. In addition, officers and employees of Hyundai Capital shall follow this Charter for Human Rights when collaborating with vendors and recommend that all stakeholders in business relations respect this Charter for Human Rights. In the event that the matters stated in this Charter for Human Rights conflict with the laws and regulations of the local country, the local laws and regulations shall take precedence and this Charter for Human Rights of Hyundai Capital may be revised in line with the local laws and industrial characteristics and if needed, separate policies and procedures can be established. Unless otherwise stated in special provisions in the local laws and regulations, Articles of Association of an entity or company policies and procedures, all of officers and employees of Hyundai Capital shall carry out their duties in accordance with this Charter for Human Rights of Hyundai Capital.

C. Human Rights Risk Management System

Hyundai Capital shall implement an internal system required for human rights management, regularly assess and mitigate human rights risk, and establish policy and procedures on human rights due diligence to sufficiently share the result of the assessment with stakeholders in accordance with this Charter for Human Rights in order to respect human rights of all officers and employees and mitigate the risk. The organization in charge of human rights management for Hyundai Capital shall carry out the management system of human rights risk in line with the principle of good faith, and regularly review matters to consider for human rights management, and revise the management system, fully reflecting social changes.



2. BASIC PRINCIPLE

Article 1 Prohibition of Child Labor and Forced Labor

Hyundai Capital shall prohibit child labor and adhere to the principle of zero tolerance regarding such a wrongful type of employment. Hyundai Capital shall take measures in order not to restrict minors' opportunity for education due to their work. Also Hyundai Capital shall not engage in any act of assault, threat, confinement or the like against any officer or employee and it shall not coerce any work against the free will and keep the original copy of ID or visa for the purpose of forced labor.

Article 2 Prohibition of Discrimination and Workplace Harassment

Hyundai Capital shall not discriminate against anyone in the aspect of acquisition, employment,

promotion, education, wage, welfare, etc. on the ground of gender, race, ethnicity, nationality, religion, disability, age, marital status, pregnancy, family status, social status or political opinion of all officers and employees and it shall create an corporate culture where the diversity of officers and employees is respected. Also Hyundai Capital shall prohibit any activities where the officer or employe abuses his or her position or relations in the workplace to give physical or psychological pain or worsen the work environment by giving coersive work orders or using abusive languages.

Article 3 Compliance with Working Conditions

Hyundai Capital shall comply with the legal work hours in each country where it engages in business and pay all officers and employees reasonable wages for the work together with the wage statement. Also it shall not require the laborer to pay for any fees or referral fees in return for employment. In addition, it shall provide a work environment appropriate for the duties and sufficient opportunity of education for competency development and improvement of the quality of life for all officers and employees.

Article 4 Humane Treatment

Hyundai Capital shall respect the privacy of officers and employees and fully protect personal information and it shall not mentally or physically abuse or adversely treat any officer or employee.

Article 5 Guarantee of the Freedom of Association and Collective Bargaining

Hyundai Capital shall respect the labor relations laws of the country where this Charter for Human Rights applies and provide all officers and employees with sufficient opportunities for communication.

Article 6 Guarantee of Industrial Safety

Hyundai Capital shall regularly inspect the workplace for all officers and employees to work in a safe work environment and take appropriate measures for the purpose of preventing physical and mental hazards and to prepare support plans for post management.

Article 7 Protection of Local Community and Human Rights of Vulnerable Population

All officers and employees of Hyundai Capital shall exercise caution in order not to violate human rights and make an effort to protect the rights on safety and health and freedom of residency in the local community when conducting business activities. Also it shall not discriminate the vulnerable population including children, migrant workers, the disabled, and females but protect their human rights.

Article 8 Protection of the Human Rights of Customers

All officers and employees of Hyundai Capital shall place their highest priority on the protection of the life, health and property of customers when providing products and services, and make their best endeavors to protect the personal information collected from business management activities.

Article 9 Responsible Management of Supply Chain

In order to build a sustainable supply chain, Hyundai Capital shall assess and manage the ESG risk that may arise in the supply chain and conduct education and support activities for vendors in order to prevent risks.

Article 10 Guarantee of Environmental Rights

Hyundai Capital is aware that environmental pollution can severely violate human rights, which may have a direct impact on the life and health of people and shall establish environmental management policy and procedures in order to minimize the negative impact of business activities on the environment.

3. ESTABLISHMENT OF THE SYSTEM

A. Establishment of Governance

① Responsibility of Human Rights Management

Hyundai Capital shall manage and supervise the status of promoting the human rights management through the committees or management meetings participated in by highest decision makers or decision makers of major departments or working level meetings led by decision makers of the team responsible for human rights management. The scope of roles and responsibilities of committees, management meetings, or working-level meetings includes 1) review of the establishment or revision of the Charter for Human Rights, 2) expression of opinions on revision to internal regulations, such as the HR policy and procedures, employment regulations, audit standards and others, 3) evaluation of human rights risks and recommendation for measures to be taken regarding the evaluation result, 4) instruction for investigation on cases of human rights violations and deliberation of relief plans, and 5) other matters deemed required for the protection of human rights.

② Human Rights Management

Hyundai Capital shall have a dedicated organization carry out relevant jobs related to human rights management. The jobs to be carried out by the organization dedicated to human rights management may include 1) establishment and revision of the Charter for Human Rights, 2) establishment of the human rights management execution plan, 3) evaluation and management of the human rights risk including human rights due diligence, 4) operation of the grievance channel, and 5) internal education and external communications, etc.

B. Operation of the Grievance Procedure

① Report and Reception of Human Rights Violations Cases

Hyundai Capital shall operate a channel to receive reports from officers and employees or other persons or organizations (reporters) whose human rights have been violated or who are aware of the human rights risk. Upon receiving a report of a human rights violation, the relevant department shall discuss specific relief plans for the case of human rights violations in consideration of the characteristics of the individual report case.

Grievance Channel to Report Violations of Human Rights

- 1) **Ombudsman:** Ombudsman helps employees report breaches of corporate policies/wrongdoings and resolve their grievances such as unfair treatment or sexual harassment at work, etc. with their anonymity guaranteed
 - **How to report/file a complaint:** CUBE>My Community>Ombudsman>Request a consultation

- 2) **External Hot-Line:** The company hires a third party to receive reports and look into allegations to protect the identity of the person who reported
 - **TEL:** 02-2182-3777
 - **E-mail:** hyundaicapital-thevoice@oracle-law.com
 - **FAX:** 02-2182-3788
 - **Mail (Address):** Dedicated lawyer of The Voice, 1 Floor, Yeongdong-daero 416, Gangnam-gu, Seoul

② **Processing of Reports on Violations of Human Rights**

Regarding the cases on human rights violations reports, Hyundai Capital shall refer to court cases, regulations of government agencies, internal practices in the past, and other industrial practices in an effort to identify a best relief plan with the support from the legal department. In the event that the cases of human rights violations have significant influence on the freedom and rights of victims or are highly likely to cause risks to the corporate reputation, the relief plan may be discussed by committees, management meetings, working-level meetings participated in by the highest decision makers.

③ **Guarantee of Anonymity of Reporters**

All officers and employees of Hyundai Capital shall not disclose, reveal or otherwise report any personally identifiable information that may be used to identify the reporter. All information relating to victims, incidents, remedial procedures and outcomes, as transmitted during the reporting and notification process, shall be kept strictly confidential. In addition, measures shall be taken to protect employees from adverse consequences arising from the reporting of human rights violations and risks.

C. Education and Expansion

① Human Rights Management Education

Hyundai Capital shall offer education programs in human rights management in order to enhance the understanding and awareness of human rights and share the direction and action plans for internal human rights management with officers and employees. Through human rights management education, the company shall encourage the officers and employees to prohibit discriminatory acts and actively report the cases of human rights violations and risks identified.

② Human Rights Management Expansion

Hyundai Capital may share information pertaining to the Charter for Human Rights, its implementation plan, and the human rights risk assessment process and associated outcomes with vendors to an extent that it is needed for the management and encouragement of human rights management. When sharing such content, optimal channels (voice, video and written media) and methods (Korean, English, etc.) shall be used for all organizational members to conveniently access information relating to human rights management.

4. HUMAN RIGHTS DUE DILIGENCE

A. Identification and Evaluation of Risk

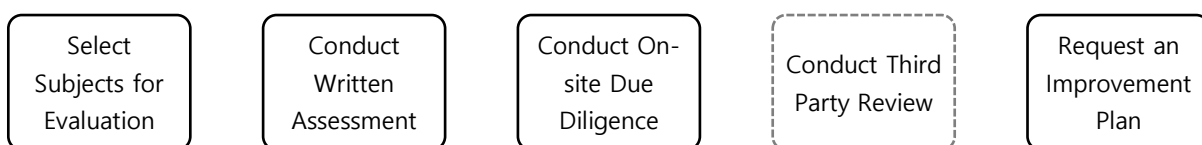
① Development of Evaluation Index

Hyundai Capital shall reflect the UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidance for Responsible Business Conduct, Ministry of Justice's Guidelines of Business and Human Rights, etc. in order to develop and operate the assessment and due diligence index to evaluate the work environment, work conditions, human resource operation, industrial safety, and human rights risks to local residents and customers.

② Operation of Evaluation Process

Hyundai Capital shall select a subject out of the organizations included in the scope of this Charter for Human Rights and operate the evaluation process to check the status of human rights

violations and identify the potential human rights risk. It shall communicate with key stakeholders in order to identify human rights risk factors that may arise in the business operation and overall business relations including the supply chain and analyze the impact on the stakeholders. It shall provide evaluation index and guidelines for the subjects of evaluation for their written assessment and recommend that the subjects develop improvement plans for insufficient matters found in the self-assessment. Based on the written assessment, on-site due diligence may be conducted on the organization in order to specifically identify the risk by checking internal policies and procedure and systems related to human rights, and conducting interviews and on-site inspection. In addition, in order to secure the objectivity of written assessments and on-site due diligence, a 3rd party audit may be conducted by an independent 3rd party agency. Further, with respect to 'high risk' and 'inadequate matters' detected in written assessment, on-site due diligence or 3rd party audit, Hyundai Capital shall request immediate improvement or establishment of an improvement plan. Hyundai Capital shall regularly review and revise the evaluation index and process for human rights risks in order to accurately identify cases of human rights violations and efficiently operate the evaluation process.



B. Risk Improvement

① Development of and Consultation on Improvement Plans

Hyundai Capital shall establish improvement plans and action plans regarding the human rights risk identified as a result of evaluating the human rights risk. The organization that went through the human risk evaluation shall identify specific tasks to execute the plan for risk improvement in consultation with the team in charge of human rights management.

② Monitoring of the Execution Status

Hyundai Capital shall continuously monitor whether the person in charge of the organization, etc. that went through the human rights evaluation is diligently and effectively executing the mutually

consulted improvement plans. It shall mutually communicate in order to execute specific tasks according to the schedule and produce expected outcomes in a timely manner and may take required measures if the improvement plan is not likely to be executed.

C. Disclosure of Status and Outcome

① Report to the Key Decision Makers

Hyundai Capital shall report meaningful implications, important risks and improvement plans confirmed through the evaluation of human rights risk to the major decision makers, including the committees, management meetings, and working-level meetings. The reporting materials obtained as approved by the committees, management meetings, major decision makers, etc. may be shared with the applicable departments and others in order to enhance effectiveness of human rights management.

② Information Disclosure

Hyundai Capital shall disclose the information on cases of human rights violations reported, human rights risk evaluation results, and measures of improvement and mitigation on the homepage, integrated report, and sustainable management report or separate channels like human rights white paper, etc., and it shall select a disclosure channel that offers easy access and clear understanding to officers, employees and other stakeholders.

5. APPENDIX

A. Contact Information of the Person in Charge

Person in charge of the Human Rights Charter for Hyundai Capital

- **Team:** HR/Corporate Culture Team
- **E-mail:** nayeong2.kim@hcs.com
- **TEL:** 02-3150-8199
- **Mail:** Hyundai Capital, 14, Sejong-daero, Jung-gu, Seoul, Korea (04527)

B. Reference

This Charter for Human Rights has been established on the basis of human rights-related provisions, standards and initiatives specified in the human rights standards and related laws and regulations in Korea and other countries.

- ① UN, Universal Declaration of Human Rights (1948)
- ② UNGC, A human Rights Management Framework (2010)
- ③ UN, The UN Guiding Principles on Business and Human Rights (2011)
- ④ OECD, The OECD Guidelines for Multinational Enterprise (2011)
- ⑤ OECD, Due Diligence Guidance for Responsible Business Conduct (2018)
- ⑥ Constitution of the Republic of Korea
- ⑦ National Human Rights Commission of Korea, Manual of Human Rights Management for Public Institutions (2018)
- ⑧ National Human Rights Commission of Korea, Checklist for Human Rights Impact Assessment Operated by Institutions (Corporate enterprises) (2018)
- ⑨ Ministry of Justice, Guidelines of Business and Human Rights (2021)