

HD Hyundai Marine Solution

Human Rights and Due Diligence Policy

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Chapter I. General Provisions

Article 1 (Purpose)

This HD Hyundai Marine Solution Human Rights and Due Diligence Policy (hereinafter referred to as the "Policy") is purposed to promote HD Hyundai Marine Solution (hereinafter referred to as the "Company")'s the protection of human rights of stakeholders, including employees and executives, in line with the general principles of business and human rights.

Article 2 (Definitions)

① The terms used in this Policy shall be defined as follows:

1. "Human Rights" refers to the dignity, value, freedom, and right of individuals as recognized by the Constitution and laws, or by international human rights standards outlined in the "HD Hyundai Marine Solution Human Rights Commitment"
2. The term "Human Rights Management" refers to the Company's activities to respect and protect human dignity and value in all business operations, prevent human rights violations, declare commitment to human rights policy, conduct human rights due diligence, provide remediation to complainants, provide relevant training and education to employees and executives. It also includes transparent and effective communication with stakeholders about the results of the Company's business and human rights activities.
3. The term "Employees and Executives" includes executives/officers of the Company, employees (including workers in non-standard forms of employment) and temporary agency workers.
4. "Stakeholders" means the company's employees and executives, the employees and executives of its subsidiaries, consumers and individuals, groupings, communities or entities whose rights or interests are or could be affected, or employees and executives of its subsidiaries and business partners,

as necessary.

Article 3 (Scope)

- ① This Policy applies to all employees and executives as well as domestic and foreign stakeholders. For employees and executives working overseas, this Policy shall be applied in consideration of local laws and regulations.
- ② Unless otherwise specified in applicable laws, regulations and other relevant provisions, matters related to the Company's human rights management systems shall be governed by this Policy.

Chapter II. General Principles of Human Rights Management System

Article 4 (Basic Principles)

The Company respects and complies with United Nations Universal Declaration of Human Rights (UDHR), United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational enterprises, the OECD Due Diligence Guidelines for responsible Business Conduct (OECD), International Labour Organisation (ILO), and the EU Corporate Sustainability Due Diligence Directive (CSDDD). The Company shall establish a human rights due diligence system in integration with the Company's risk management systems as a primary means of implementing human rights.

Article 5 (Implementation of Human Rights Management)

The Company respects human dignity and value, prevents human rights violations and provides remediation by adhering to the general principles set forth in this Chapter.

Article 6 (Right to Life)

The Company ensures the prioritisation of right to life in all business activities. The Company identifies and eliminates hazards that may occur in the course of business operations (i.e., industrial accidents, hazardous environments, etc.) and establishes safety measures for emergency situations.

Article 7 (Humanitarian Treatment)

The Company prohibits all forms of torture, cruel, inhumane or degrading treatment or punishment, and shall take proactive measures to prevent any physically or psychologically inhumane or degrading treatment that violate human dignity. In the event of such inhumane treatment, the Company takes strict actions in accordance

with relevant internal regulations to ensure effective remediation.

Article 8 (Right to Physical Liberty and Security)

The Company respects and upholds the right of every individual to physical liberty and security. The Company does not tolerate any form of arbitrary detention or unlawful deprivation of liberty under any circumstances.

Article 9 (Prohibition of Invasion of Privacy)

The Company respects the right to privacy and prohibits arbitrary or unlawful interference with a person's privacy, family, home or correspondence. The Company adopts and implements strict data protection and information security policies to prevent such interference.

Article 10 (Respect for Diversity, Non-Discrimination, and Freedom of Thought, Conscience, and Religion)

The Company respects and embraces diversity throughout its business activities and guarantees and respects the freedom of thought, conscience and religion. The Company strictly prohibits all forms of discrimination, including, but not limited to, differences in compensation or opportunities based on gender, age, race, disability, religion, sexual orientation, politics, thought or conscience, or place of origin. The Company commits to provide all members with equal opportunities, ensuring dignity and respect for all.

Article 11 (Just and Favourable Conditions of Work)

The Company provides fair wages and a safe and healthy working environment for all employees and executives. The Company complies with the statutory working hours of each country in which it operates and pay fair and living wages, accompanied by payslips, to all employees and executives in return for their work.

Article 12 (Rights Related to Company Housing)

Where the Company provides housing to employees and executives, the Company ensures that access to basic needs such as food, water, clothing, and hygiene is not restricted and that the living environment is adequate.

Article 13 (Prohibition of Child Labour)

The Company does not employ any child or juvenile below the minimum age as defined by internationally recognized standards and applicable laws (i.e., age 15). In countries where the minimum age is 14 in accordance with ILO exceptions, the Company follows the national laws and ILO guidelines. The Company prioritises children's health and education, prohibits all forms of exploitation, and ensures that no child is engaged in

hazardous work, slavery, trafficking, or illegal activities such as drug production or trade. The Company fulfills its duty to protect children's health, morality, and rights, and conducts thorough due diligence to prevent such risks within the supply chain.

Article 14 (Prohibition of Forced Labour)

The Company strictly prohibits all forms of forced labour, including slavery, debt bondage, and human trafficking and ensures that all work is conducted voluntarily. In the event of identification of any exploitative labour practices, the Company takes immediate corrective action.

Article 15 (Guarantee of Freedom of Association and Collective Bargaining)

In accordance with the Constitution of the Republic of Korea and relevant labour laws, the Company guarantees the freedom of association and the right to collective bargaining. The Company does not impose any disadvantage or discrimination based on the formation, membership, or activities of labour unions.

Article 16 (Prevention of Workplace Harassment and Sexual Harassment)

The Company recognizes that workplace harassment and sexual harassment are unlawful acts that undermine morale and productivity. All employees and executives actively cooperate in the prevention and elimination of such conduct.

Article 17 (Safety and Health)

The Company ensures safe and healthy working conditions and promote occupational safety and health through the establishment and maintenance of appropriate measures.

Article 18 (Responsible Supply Chain Management)

The Company treats the suppliers fairly and support them in implementing human rights management system. The Company endeavors to ensure that the its products or distribution processes along with the consequence of distribution do not cause or contribute to adverse human rights impacts.

Article 19 (Conflict Minerals)

In accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and other international norms, the Company excludes the use of minerals sourced from conflict-affected regions and strives to build a transparent and ethical supply chain.

Article 20 (Rights to a Healthy Environment)

The Company complies with domestic and international environmental laws and

establish goals for environmental improvement. It regularly reviews these goals to ensure their appropriateness and works to prevent pollution—such as soil and water contamination and excessive resource consumption—by adopting sustainable management practices.

Article 21 (Protection of Human Rights of Local Communities)

The Company respects the rights of local communities to access land, forests, and water necessary for their livelihood. It avoids causing any adverse impacts through unlawful evictions, deforestation, or resource exploitation. The Company obtains community consent and follow transparent procedures in matters concerning the use of land and resources in local areas.

Article 22 (Protection of Human Rights of Consumers)

The Company strives to protect consumers' health, safety, and personal data, ensuring fair and non-discriminatory treatment of all consumers. It provides transparent information about its products and services, ensure accessibility, and establish appropriate procedures for receiving and resolving human rights-related grievances from consumers.

Chapter III. Human Rights Management System

Article 23 (Commitment to Human Rights)

The Company proclaims its commitment to Human Rights to ensure the dignity and value of all individuals in the course of its business operations. All employees and executives adhere to and implement the Commitment as a standard principle for ethical conduct and decision-making.

Article 24 (Governance)

- ① The Company establishes an internal governance structure necessary for the implementation of human rights to uphold human rights in all aspects of its business activities. The governance structure consists of the ESG Committee within the Board of Directors, the Human Rights Committee, a dedicated human rights team, and relevant departments/teams.
- ② The roles and responsibilities of each body are as follows:
 1. The ESG Committee serves as the highest decision-making body on human rights matters and deliberates and approves key policies related to human rights management system.

2. The Chief ESG Officer establishes and leads the Human Rights Committee. However, the Company may separately appoint a Chair of the Committee based on internal needs.
3. The Human Rights Committee deliberates on human rights-related issues and reviews performance to ensure faithful implementation. The Committee reviews and revises the human rights management policy at least every 24 months. Details of the Committee's composition and duties is set forth in Chapter IV.

The dedicated human rights team implements tasks including risk identification through due diligence, issue monitoring and reporting, public disclosure, and human rights education/training. Relevant departments/teams (e.g., HR, compliance, procurement, security, EHS) cooperates with the implementation of human rights due diligence and other initiatives.

Article 25 (Dedicated Human Rights Team)

- ① The Company designates a team dedicated to human rights (the "Dedicated Team") to systematically develop and implement policies and education/training for the promotion of human rights.
- ② The Dedicated Team carries out the following duties:
 1. Conducts annual human rights due diligence
 2. Develops and implements annual human rights improvement plans
 3. Organizes and implements human rights education/training
 4. Regularly reviews and updates due diligence policies in line with global standards
 5. Performs other tasks deemed necessary by the Company or the Human Rights Committee Chair

Article 26 (Human Rights Education/Training)

The Company conducts regular education/training for employees and executives to raise awareness of human rights and promote a culture of respect.

1. Education/Training may be delivered through online modules, in-person sessions, or other educational materials depending on the context.
2. The Company may also provide human rights education/training to dispatched workers, partner company employees and executives, and other stakeholders.

Article 27 (Support for Human Rights Initiatives)

The Company may take necessary actions and provide support to human rights-related institutions, organisations, and partner companies to promote human rights protection and enhancement.

Chapter IV. Human Rights Committee

Article 28 (Establishment and Function)

The Human Rights Committee (hereinafter referred to as the "Committee") is established to deliberate and report on the following matters concerning the protection and promotion of the human rights of employees, executives, and stakeholders:

1. Proclamation and revision of the Human Rights Commitment and related regulations
2. Establishment of the Company's human rights management system's master plan
3. Implementation of due diligence in line with international standards
4. Human rights education/training programs
5. Execution of human rights improvement initiatives
6. Handling of grievances and remedial measures
7. Meaningful engagement and participation of stakeholders
8. Any other matters necessary for the protection and promotion of human rights

Article 29 (Composition)

- ① The Committee is composed of the Chair and executives or department heads from relevant departments.
- ② The Chair represents and oversees the Committee's operations. In the event the Chair is unable to fulfill the duties, a designated representative act as a delegation.
- ③ A secretary is appointed to manage administrative affairs and recordkeeping.

Article 30 (Meeting and Quorum for Resolution)

- ① The Committee convenes regularly twice a year and may hold extraordinary meetings upon the Chair's judgment or at the request of one-third or more of its members.
- ② A meeting is convened with the attendance of a majority of the total members, and resolutions requires the approval by a majority of those present.
- ③ Meetings is held in person in principle, but written resolutions may be adopted for urgent or minor matters.
- ④ The Secretary prepares the minutes of the Committee meetings and ensures their proper maintenance and preservation.

Article 31 (Hearing of opinions and Request for Submission of Data)

- ① The Committee may, if necessary, summon relevant individuals or stakeholders to attend meetings and present their opinions on the matters under deliberation.
- ② The Committee may, if necessary, request relevant departments or other stakeholders to submit materials or information related to the matters under deliberation.
- ③ The Committee may, if necessary, seek the participation and opinions of external advisors.

Article 32 (Confidentiality)

All persons attending meetings shall maintain confidentiality regarding any information obtained in the course of their duties.

Article 33 (Conflict of interest)

Any Committee member who has a conflict of interest in a particular agenda item shall be excluded from the related discussions and voting.

Article 34 (Term of Office Members)

Internal members of the Committee serve ex officio based on official position.

Article 35 (Dismissal of members)

A Committee member may be dismissed prior to the expiration of term if he/she:

1. Fails to faithfully perform duties
2. Discloses confidential information
3. Is unable to perform duties due to illness or other reasons
4. Is involved in human rights violations
5. Experiences changes in position affecting membership eligibility
6. Commits acts damaging the dignity required for the role

Article 36 (Implementation of Human Rights and Environmental Due Diligence)

- ① The Company conducts human rights and environmental due diligence (hereinafter referred to as the "due diligence") at least once a year in accordance with Chapter V.
- ② The Committee may conduct additional due diligence if a policy or activity may significantly impact stakeholders' rights.
- ③ The dedicated human rights team supervises the due diligence and may request relevant materials from relevant team/department.
- ④ The due diligence may be outsourced to qualified external experts.
- ⑤ The results of the due diligence are reviewed by the Committee and reported to the

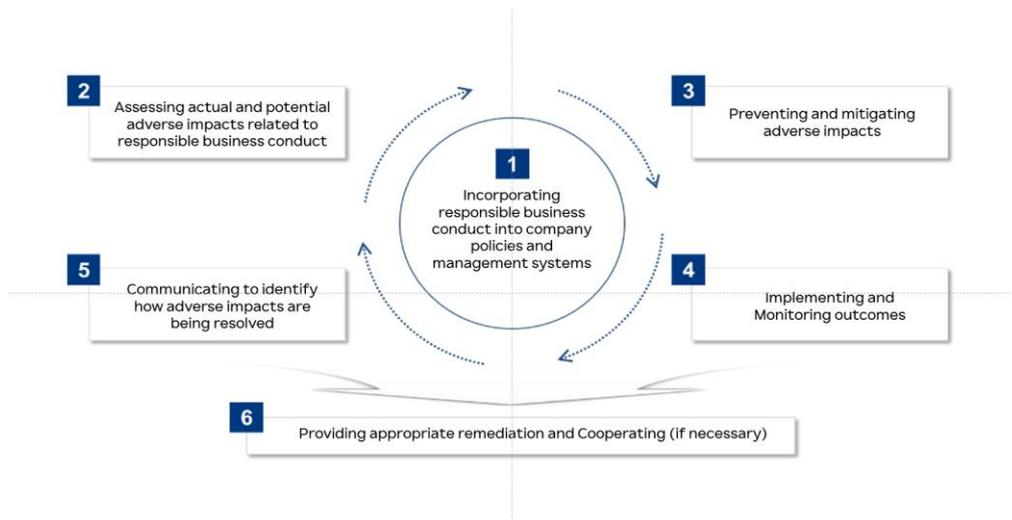
CEO

- ⑥ Separate action plan may be developed depending on the nature and scope of the due diligence.

Chapter V. Human Rights and Environmental Due Diligence

Article 37 (Purpose and Approach of Due Diligence)

The Company conducts due diligence in accordance with the EU Corporate Sustainability Due Diligence Directive (CSDDD), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the OECD Due Diligence Guidance for responsible Business Conduct. Through due diligence, the Company identifies adverse human rights and environmental impacts in its operations, subsidiaries, and chains of activities, including its business partners, and takes appropriate measures to prevent, mitigate, and bring to an or minimise such adverse impacts.



Article 38 (Identifying and Assessing Adverse Impacts and Prioritisation of Identified Adverse Impacts)

- ① The Company identifies and assesses actual or potential adverse impacts that may arise from its own operations or those of their subsidiaries and business partners.
- ② The Company conducts an in-depth assessment in accordance to the identification of adverse impacts' severity and likelihood.
- ③ Where a company cannot prevent, mitigate, bring to an end or minimise the extent of all the identified actual and potential adverse impacts at the same time to the full extent, the Company prioritises and takes appropriate measures according to [Article 39 and 40] based on their severity and likelihood

Article 39 (Preventing Potential Adverse Impacts)

- ① The Company develops and implements a prevention action plan and takes appropriate measures to prevent identified potential adverse effects.
- ② The Company seeks to obtain contractual assurances from direct business partner that it will ensure compliance with the Code of Conduct, as necessary, the prevention action plan, including by seeking corresponding contractual assurances from the Company's indirect, second tier partners.
- ③ If the Company is unable to prevent or adequately mitigate the potential adverse impacts despite the action plans, contractual assurance among others efforts that the Company has requested from its direct business partner, the Company shall, where the law governing their relations so entitles them, (1) refrain from entering into new contracts or extending existing contracts with the Supplier that are related to the adverse impacts; (2) require the adoption and implementation of an enhanced prevention action plan without delay provided that there is a reasonable expectation that those efforts will succeed; and (3) use or enhance its leverage through the temporary suspension of business relationships related to the identified risks.

Article 40 (Bringing Actual Adverse Impacts to an End)

- ① The Company shall develop and implement a corrective action plan and take appropriate measures to bring identified potential adverse effects to an end.
- ② The Company shall seek to obtain contractual assurances from a direct business partner that it will ensure compliance with the Code of Conduct, as necessary, the corrective action plan, including by seeking corresponding contractual assurances from the its partners.
- ③ If the Company is unable to prevent or adequately mitigate the potential adverse impacts despite the action plans, contractual assurance among others efforts that the Company has requested from its direct business partner, the Company shall, where the law governing their relations so entitles them, (1) refrain from entering into new contracts or extending existing contracts with the Supplier that are related to the adverse impacts; (2) require the adoption and implementation of an enhanced corrective action plan without delay provided that there is a reasonable expectation that those efforts will succeed; and (3) use or enhance its leverage through the temporary suspension of business relationships related to the identified risks.

Article 41 (Meaningful Engagement with Stakeholders)

For the process of carrying out the due diligence actions, the following provisions is consulted with stakeholders to reasonable extent, and relevant and comprehensive information shall be provided to stakeholders, as appropriate. Article 41(5) shall be consulted with an appropriate scope and method, if necessary.

1. Gathering of the necessary information on actual or potential adverse impacts, in order to identify, assess and priorities adverse impacts pursuant to Article 38
2. Development of enhanced prevention and corrective action plans pursuant to Article 39(1) and Article 40(1)
3. Suspension or termination of the business relationship pursuant to Article 39(3) and Article 40(3)
4. Adoption of appropriate measures to remediate adverse impacts pursuant to Article 39(1), Article 39(2), Article 40(1) and Article 40(2)
5. Development of quantitative and qualitative indicators for monitoring required under Article 43(1) as appropriate

Article 42 (Notification Mechanism and Complaints Procedure)

- ① Persons and organisations may submit complaints directly to Company's grievance mechanism in case of legitimate concerns regarding actual or potential adverse impacts.
- ② The grievance mechanism may take appropriate corrective or disciplinary action such as recommending respondent to refrain from non-compliance actions, taking disciplinary action in accordance with the Company regulations, or reporting to the National Human Rights Commission of Korea or an investigative agency.
- ③ If the complaint is well-founded that the adverse impact is deemed to be identified within the meaning of Article 39, the Company notifies the department in charge.
- ④ Company shall ensure the confidentiality of the identity of the person or organisation submitting the complaint and take reasonably available measures to prevent any form of retaliation.
- ⑤ Persons or entities that have legitimate concerns or information regarding actual and potential adverse impacts may make notifications either anonymously or confidentially when using the grievance mechanism.
- ⑥ The complainant shall have the following rights pursuant to Article 42(1):
 1. The right to request appropriate follow-up on the complaint from the Company
 2. The right to meet with the Company's representatives at an appropriate level to discuss severe adverse impacts and potential remediation when actual or potential adverse impacts on human rights and environment that are subject matter of the complaint are severe
 3. The right be provided by the Company with the reasons a complaint has been considered founded or unfounded and, where considered founded, with information on the steps and actions taken or to be taken

Article 43 (Monitoring)

- ① The Company shall, without undue delay, carry out an assessment after a

significant change occurs, such as starting to operate in a new economic sector or geographical area, initiating the production of new products, or if there are reasonable grounds to believe that new risks of adverse impact may arise. In any event, such assessment shall be carried out at least every 5 years to assess the implementation and effectiveness of the due diligence measures.

- ② The Company updates the due diligence policy and identified adverse impacts and measures against them, as appropriate, based on the results of the assessment.

Article 44 (Review and Reporting)

The Company due diligence report that explains the identified adverse impacts, actions and measures is written and disclosed on website in both Korean and English annually. Nonetheless, due diligence information can be disclosed as part of other publicly available reports including sustainability/ESG report or other standalone report in accordance with internal company requirements.

Article 45 (Operation and Documentation Storage)

- ① The Company reviews its due diligence process policy at least once every 24 months and revise them where necessary. The policy is revised without undue delay where a significant change occurs.
- ② The Company retains all documents and records collected or produced in the course of carrying out its due diligence for a minimum period of 5 years. [The End]
