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## **HYUNDAI TRANSYS D&I Policy (Diversity & Inclusion Policy)**

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# 1. Overview

## A. Purpose of enactment

HYUNDAI TRANSYS 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 TRANSYS's headquarters, domestic/overseas production and sales corporations, subsidiaries and sub-subsidiaries, and executives and employees of joint ventures. Furthermore, this policy shall apply to various stakeholders within our business influence, such as the products and services we provide, customers, business partners, and local communities with whom we do business. 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 TRANSYS 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 TRANSYS, 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 TRANSYS 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 TRANSYS shall consider the diversity of stakeholders, including customers, in the process of designing, producing, and selling products and services. HYUNDAI TRANSYS 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 TRANSYS 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 TRANSYS 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. HYUNDAI TRANSYS shall strive to promote diversity and inclusion of stakeholders, including community members.

### Article 1. Gender

HYUNDAI TRANSYS 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, HYUNDAI TRANSYS 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 TRANSYS 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 TRANSYS 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 TRANSYS 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 TRANSYS 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 TRANSYS believes that diverse talents and an inclusive organizational culture are the basis for its sustainable growth. HYUNDAI TRANSYS respects and encourages its employees' creativity and potential regardless of gender, race, nationality, cultural background, or age. HYUNDAI

TRANSYS will enhance its global business competitiveness based on the creativity and potential of its diverse employees.

#### **A. Human Resource Planning**

HYUNDAI TRANSYS 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 TRANSYS 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.

#### **C. Performance evaluation**

HYUNDAI TRANSYS 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 TRANSYS 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 TRANSYS 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. HYUNDAI TRANSYS ERG activity Case >

<p><b>Veterans' Month Event</b></p>	<ul style="list-style-type: none"> <li>- To commemorate the month of Patriotism and Veterans Affairs in June, creating an atmosphere of courtesy and patriotism among employees to those of national merit.</li> <li>- Promotion of Veterans' Month;banners, electronic billboards, and granting leave for veterans.</li> </ul>	<p>Veterans ERG</p>
<p><b>Social Contribution Event</b></p>	<ul style="list-style-type: none"> <li>- Employees' Love Account Fundraising: donating the amount of money raised through voluntary participation by employees</li> <li>- Educational support for children of low-income families: Supporting educational materials in connection with the Office of Education</li> </ul>	<p>Local Community ERG</p>
<p><b>Global sites Women's Day Event</b></p>	<ul style="list-style-type: none"> <li>- Host a small in-house event to commemorate International Women's Day to inspire female employees' sense of belonging and improve work satisfaction.</li> </ul>	<p>Female Employees ERG</p>

## F. Operating system

HYUNDAI TRANSYS 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).

### **D&I dedicated organization communication channel**

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## 4. Products and Services

HYUNDAI TRANSYS 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 TRANSYS 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 TRANSYS 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. 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)