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HYUNDAI MOTOR COMPANY D&I Policy (Diversity & Inclusion Policy)

2022.06.30

1. Overview

A. Purpose of enactment

Hyundai 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'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 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 organizations of Hyundai 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

Hyundai 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.

Article 1. Gender

Hyundai 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 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 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 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 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. Management

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

A. Human Resource Planning

Hyundai 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.

- Hyundai affiliates will work hard to provide sufficient opportunities to minority groups in the recruitment and transition placement process, recognizing that embracing diverse talents increases corporate value.
- We will check whether minority groups are being discriminated against in the hiring process through demographic analysis and whether existing employees are being excluded due to their diversities in the transitional placement process.
- We will analyze the influence of diversity in the composition of employees on corporate value and establish a human resource management plan to put necessary talents in business activities that realize the value of diversity.

B. Education and Mentoring

Hyundai 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 check educational satisfaction and achievement by diversity group to learn whether the education programs provided by Hyundai affiliates effectively enhance corporate value.
- 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 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.

- In the future, we will review and manage performance evaluation to set fair and objective individual performance goals without discrimination against diversity in the future employee performance evaluation process.
- Through fair performance evaluation standards, we will prevent bias and disadvantages in performance evaluation results due to gender, race, ethnicity, nationality, cultural background, age, etc.
- We will respect the diversity in the employee performance management process and manage the performance evaluation results to ensure no discrimination in expressing opinions on the grounds of diversity.
- We will also designate a department dedicated to promoting organizational diversity and inclusion and operate KPIs to manage diversity and inclusion performance.

D. Compensation

Hyundai 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.

- We will operate a compensation policy, compensation payment standards and procedures, etc., to stop discrimination in compensation due to differences in gender, etc., for work of equal value.
- We will operate a compensation policy, compensation payment standards and procedures, etc., to prevent discrimination in compensation due to differences such as gender, etc.
- In the event of a discriminatory factor against the value of diversity in employee compensation, we will operate a channel to mediate, resolve, and communicate the same.

E. Employee Resource Group

Hyundai 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.

<TABLE 1. Overseas ERG Activity Case >

<p>Women @ Hyundai</p>	<p>We create an inclusive environment that gives autonomy to female employees, customers, and suppliers' employees. From the perspective of female employees, we provide the necessary support to improve Hyundai's brand awareness, employee career development, and retention rate.</p>	<p>Female staff's ERG</p>
<p>Hyundai @ Soul</p>	<p>Based on the diverse experiences of our employees, we discuss how to enhance the modern brand image within the Black and African American communities. Hyundai management provides advice on how to develop cultural competencies from the perspective of diversity.</p>	<p>Black and African American staff's ERGs</p>
<p>#BecauseAsian</p>	<p>We tap into the characteristics and perspectives of the Asian culture to develop strategies that can make Hyundai a more successful company. We consider opportunities to leverage our employees' talents, skills, and networks. We support Hyundai's corporate promotions and community events.</p>	<p>Asian staff's ERG</p>
<p>Amigos Unidos</p>	<p>We harness the cultural intelligence of our Latino community to generate ideas for innovative management. We propose directions for Hyundai management from the perspective of Latino employees in the context of the growing Latino community.</p>	<p>Hispanic and Latin American staff's ERGs</p>
<p>Young Leaders</p>	<p>By maximizing the strengths of millennials, we propose ideas, solutions, and improvements that can contribute to Hyundai's excellence and success while building the foundation for our employee's individual career development and self-development.</p>	<p>Millennial staff's ERGs</p>
<p>Equality</p>	<p>We provide opportunities for education, career development, networking and workplace collaboration to LGBTQ+ (sexual minorities) employees while creating a positive and inclusive work environment. We also exchange ideas to increase Hyundai's brand awareness within the LGBTQ+ community.</p>	<p>LGBTQ+ staff's ERG</p>
<p>Hyundai CARES</p>	<p>We strive to improve the working conditions of people with disabilities and raise awareness about disabilities. We support employees with congenital or acquired disabilities, middle-aged employees with disabilities due to aging, and employees with children who need special care.</p>	<p>Disabled staff's ERG</p>

Stars & Stripes	We maintain a forum attended by Hyundai employees, their spouses, their families, and supporters of U.S. veterans. We provide a safe and inclusive space for participants to have conversations about common interests, identities, etc., with a sense of belonging.	Veteran's ERG
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4. 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)

B. Additional clause

- ① This D&I Policy is to be enacted as of 2022. 06. 30