

Document management number	H1231719-20220906-051837
Last modified date	2022. 09. 06
Document manager	Corporate Culture Team

HYUNDAI STEEL D&I Policy (Diversity & Inclusion Policy)

2022.09.06

[Responsibility]	[Approval Organization]
HYUNDAI STEEL Corporate Culture Team	HYUNDAI STEEL Management Support Division

※ Electronic Approval

1. Overview

A. Purpose of enactment

HYUNDAI STEEL 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 STEEL'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 STEEL 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 STEEL affiliates, 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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 contribute to the local community by promoting stability in life and the improvement of the welfare of veterans.

3. Employees

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

A. Human Resource Planning

HYUNDAI STEEL 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 STEEL 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 STEEL 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 STEEL 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 STEEL 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

D. Compensation

HYUNDAI STEEL 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.

E. Employee Resource Group

HYUNDAI STEEL 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.

F. Operating system

HYUNDAI STEEL affiliates operate an organization dedicated to promoting diversity and inclusion within the organization.

[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: Corporate Culture Team
- Email: culturehappy@hyundai-steel.com
- Phone: 82-(0)2-3464-6918
- Fax: 82-(0)2-3464-6060
- Mail: 12, Heolleung-ro, Seocho-gu, Seoul, Republic of Korea

4. Products and Services

HYUNDAI STEEL 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. Local Community

HYUNDAI STEEL 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.

6. Appendix

A. Diversity data

- Template 1, Employees by gender, Unit(%)

Classification	2019	2020	2021	2022 (Tentative goals)
Percentage of women in the total workforce	3.4	3.5	3.4	3.5
Percentage of women in total managerial positions	9.9	8.1	7.7	7.9
Percentage of Women in Junior Management Positions	14.7	16.6	16.4	16.7
Proportion of women in top management positions (C-Level or equivalent)	0	11	11.1	11.1
Percentage of women in revenue-generating positions (Excluding supporting departments such as HR, IT, and law)	13.3	14.6	12.4	13.2
Percentage of Women in STEM-Related Positions	7.7	9.3	7.4	8.0

- Template 2, Employees by other diversity out of total employees, Unit(%)

분류		2019	2020	2021	2022 (Tentative goals)
By age	- under 30	10.0	7.9	7.7	7.7
	- Over 30, under 50	64.9	66.2	66.4	66.4
	- Over 50	25.1	25.9	25.9	25.9
LGBTQI+		-	-	-	-
Disability (domestic standard)		2.1	2.1	2.0	2.0
National merit		2.9	2.9	2.9	2.9

- Template 3, Employees by other diversity out of total managerial positions, Unit(%)

분류		2019	2020	2021	2022 (Tentative goals)
By age	- under 30	11.3	8.7	8.2	8.2
	- Over 30, under 50	73.4	75.3	74.6	74.6
	- Over 50	15.3	16.0	17.2	17.2
LGBTQI+		-	-	-	-
Disability (domestic standard)		0.4	0.4	0.6	0.6
National merit		1.3	1.3	1.1	1.2

※ As of January 1 to December 31 of 2021

B. 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)

C. Additional clause

- ① This D&I Policy is to be enacted as of 2022. 09. 06 and distributed to each affiliate of HYUNDAI STEEL.