

HL Mando Human Rights Management Guidelines

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Chapter 1: General Provisions

Article 1: The Objective of Enacting the Human Rights Management Guidelines

- These guidelines are designed to encourage systematic and proactive management of human rights throughout the operations and management activities of every department/business division within HL Mando (hereinafter, "the Company").
- By crafting and enforcing policies that aim at the protection and advancement of the human rights of all stakeholders, inclusive of the Company's entire workforce, and by delineating other requisite matters, these guidelines strive to preemptively mitigate potential human rights risks that could affect various stakeholders, thereby enhancing the Company's sustainability and competitive edge.

Article 2: Definitions

- "Human Rights" are understood as the dignity, worth, freedom, and rights of individuals, as recognized by the "Constitution and laws of the Republic of Korea", international human rights treaties to which South Korea is a signatory, and accepted international customary law.
- "Human Rights Management" pertains to the pursuit of preventing instances of corporate human rights violations and fostering human rights-affirming business operations. This comprises the Company's commitment to issuing a declaration on human rights policy, fulfilling the obligations of Human Rights Due Diligence, and offering recourse to victims of human rights infringements.
- "Employees" are defined as the executives and staff (including non-permanent personnel) employed by the Company.
- "Stakeholders" encompass all entities connected with the Company's business operations, such as individuals affiliated with governmental bodies or partner organizations, local residents, consumers, and all individuals maintaining a relationship with the Company.
- "Partner Companies" include all businesses engaged in a business relationship with the Company, embracing invested firms, trading entities within the supply chain, tenant firms, and client companies.
- "Human Rights Violation" refers to actions or discriminatory behaviors that breach the basic rights that must be assured to uphold human dignity.

Article 3: Scope of Application

- This guideline applies to all employees within the Company and all stakeholders involved in

the Company's business operations.

Chapter 2: Fundamental Principles

Article 4: Respect for Human Rights

We are firmly committed to respecting the inherent dignity of all stakeholders, proactively ensuring that no one is subjected to dehumanizing treatment, be it physical or psychological. If instances of such treatment, including sexual harassment, abuse, corporal punishment, or verbal insults, are discovered, we respond decisively as per our disciplinary guidelines.

Article 5: Non-discrimination

We steadfastly prohibit discrimination at all stages of the employment process, including hiring, compensation, and promotion, based on factors such as gender, age, race, skin color, nationality, place of origin, disability, religion, political beliefs, family status, pregnancy, or childbirth. We strive to create and maintain a work environment that respects and appropriately accommodates the diversity of our employees.

Article 6: Prohibition of Forced and Child Labor

- We do not condone or engage in labor practices that limit an individual's physical or mental freedom, including assault, threats, confinement, charging fees, slavery, human trafficking, or child labor, to secure or maintain employment.
- We do not demand the handing over of government-issued identification documents, passports, or work permits as a condition of employment.
- Upon learning of any incidents of human trafficking, we will immediately explore necessary measures for victim assistance.
- Upon discovering instances of forced or child labor, our priority is to review protective measures for the victim rather than to immediately terminate employment.

Article 7: Responsible Management of the Supply Chain

We expect and actively support that not just our subsidiaries but all our partner companies—including contract businesses and labor suppliers—will adhere to the principles outlined in this document, abide by all relevant laws in the regions where they operate, and commit to the practice of 'Human Rights Management.'

Article 8: Compliance with Labor Legislation and Guarantee of Freedom to Strike and Bargain Collectively

We strictly comply with all regulations—including those concerning regular and overtime hours, rest periods, and wages—set out in the labor laws of each country and region in which we operate. We also safeguard the freedom to strike and engage in collective bargaining as stipulated by each jurisdiction's labor laws, ensuring that all employees have ample opportunities for communication.

Article 9: Commitment to Health and Safety

- We adhere to the health and safety standards outlined by the legal authorities in each respective country or region where we conduct business.
- In alignment with legal mandates, we provide training and sustain workplace environments and facilities to ensure every employee operates in a setting that is clean, secure, and safe.
- Vulnerable workers, including pregnant women, individuals with disabilities, and others receive protections as prescribed by relevant legislation, safeguarding their health and safety while they work.

Article 10: Health, Safety, and Information Protection of Stakeholders

We exert meticulous care to ensure our provided products and services pose no harm to our stakeholders' lives, health, or safety. Legally approved measures are implemented to protect the privacy of personal information collected from stakeholders throughout our business operations.

Article 11: Assurance of Environmental Rights

We adhere to a preventive approach to environmental issues, instituting and maintaining an effective environmental management system and devising strategies to deter significant environmental degradation and disasters, and pledge transparency in our environmental information.

Article 12: Human Rights Regarding Communities

Recognizing our corporate responsibility for social development as community members, we participate proactively in social contribution activities, protecting the rights of local residents from any potential violation during our business operations and ensuring their freedom of residence.

Chapter 3: System of Human Rights Management

Article 13: Human Rights Statement and Guidelines for Human Rights Management

- The Sustainability Management Committee declares a Human Rights Statement to ensure

the preservation of human dignity and value in all business operations. Our employees are encouraged to consider this statement as a guiding principle and value judgment standard in managing human rights.

- We undertake regular reviews of primary human rights risk factors within our corporation and incorporate societal changes. An annual review of the Human Rights Statement and guidelines is conducted, with provisions for more frequent revisions as needed. This process actively seeks and considers the views of a broad spectrum of stakeholders, including employees, labor unions, partner companies, local residents, clients, and human rights experts.
- Each organization handling human rights within our company must work towards the development of human rights management plans, the establishment of internal systems, and the application of human rights management, as guided by the Human Rights Statement and guidelines.

Article 14: Human Rights Management Promotion Organization

① The Sustainability Management Committee

A. Roles

- The Sustainability Management Committee (hereafter, "the Committee") lays the groundwork for a reporting framework designed to prevent human rights risks, thereby promoting effective human rights management.
- The Committee conducts deliberations on the following areas to safeguard and enhance the human rights of all stakeholders, inclusive of employees:
 - a. Creation and amendment of declarations and guidelines concerning human rights management.
 - b. Planning and evaluation matters pertaining to human rights management.
 - c. Other considerations identified as crucial for the protection of human rights.

B. Assembly and Composition

- Provisions regarding the assembly and composition of the Sustainability Management Committee adhere to the Company's regulations, more specifically, the **CR-00KR-03 Sustainability Management Committee Regulations** (Common).

② Departments Concerned with Human Resources and Labor

A. Roles

- Formulation and implementation matters of the fundamental plan for human rights

management.

- Execution of human rights impact assessments.
- Other necessary elements for human rights management.
- Individuals designated by the Human Resources and Labor-related Departments to serve as practitioners in the Group Human Rights Management Practitioner Committee can collaborate on tasks aimed at preventing human rights risks. These tasks, such as human rights impact assessments, are executed in consultation with the Group Human Rights Management Practitioner Committee.

Article 15: Development and Implementation of a Human Rights Management Plan

- To effectively advance human rights management, our company's responsible department shall formulate a recurring plan encompassing the following elements:
 - a. The goals and foundational strategies of human rights management.
 - b. The tasks associated with driving human rights management and execution strategies.
 - c. The obligations related to the practice and inspection of human rights, including human rights surveys and impact assessments.
 - d. Additional measures deemed necessary for the preservation and advancement of human rights.
- The department should strive to find tangible solutions to improve organizational leadership, communication, and overall company culture. This process should consider internal company rules, decision-making procedures, and business relationships, including supply chains.
- The organization should annually incorporate internal and external issues, stakeholder requirements, and outcomes of human rights impact assessments into its business strategies and operations to alleviate or prevent potential negative human rights impacts.
- Discussions are held with individuals or groups anticipated to suffer negative human rights impacts due to the Company's operations.

Article 16: Human Rights Education and Expansion of Human Rights Management

- The department overseeing education is responsible for managing the overall operation. This includes formulating a human rights education plan to elevate employee awareness, selecting participants, and arranging programs.
- Regular human rights-related training can be conducted to heighten human rights awareness among all employees.
- Specialized human rights education programs can be arranged for employees involved in

high-risk areas, senior management, executives, and those responsible for human rights management.

- Human rights training can be regularly conducted for stakeholders and partner companies, aimed at promoting a culture of respect for human rights.
- The timing and schedule of annual human rights training will be considered, and the education will be carried out using suitable methods, such as online or group sessions.
- We share the contents of the Declaration of Human Rights Management with all stakeholders within our sphere of influence, such as subsidiaries, partner companies, local production plants, and corporations. We seek their cooperation to accomplish our core human rights management goals and share information related to human rights education and the disclosure of human rights information.
- We encourage each stakeholder within our business activity's sphere of influence to adopt human rights management practices. We are prepared to provide support and exert influence as necessary.

Article 17: Disclosure of Information

- We provide transparent disclosure of our human rights management details through clear, accessible channels including our corporate website and sustainability reports, for our employees and all relevant stakeholders.
- We actively seek and appreciate our stakeholders' feedback on the information we release about our human rights management, incorporating their insights into the continuous development and application of our human rights management strategies.

Chapter 4: Assessment of Human Rights Impact

Article 18: Objective

- To preemptively identify and mitigate potential and manifest human rights risks that could result from our business operations, we conduct regular human rights impact assessments.
- In instances where the Group Human Rights Management Committee carries out a group-wide human rights impact assessment encompassing all subsidiaries, this can serve as a substitute for the Company's human rights impact assessment, following discussions with the Group Human Rights Management Practitioners Committee.

Article 19: Assessment Frequency and Application Scope

- Assessments are, as a general rule, performed annually. However, we retain the flexibility to adjust the number of assessments according to necessity.
- Assessments encompass all the Company's business locations, both within our home country and abroad.

Article 20: Assessment Process



① Compilation of the Human Rights Impact Assessment Checklist

- The checklist is developed in cooperation with the Group Human Rights Management Practitioners Committee.
- Its creation hinges upon an analysis of the evaluation's internal and external environment at the time, alongside the internal declaration of human rights. Sources include the UN Principles for Business and Human Rights, OECD Due Diligence Guidelines, UNGC Guidelines, and materials from legal departments, national committees, and human rights agencies across various countries. Depending on factors such as country, industry, and scale, the languages and the checklist details may differ.
- Preliminary selection of the assessment targets is handled by the department overseeing the Human Rights Impact Assessment, with final selection achieved through dialogue with the Group Human Rights Management Practitioners Committee.
- Under the department head's guidance, the target department carries out self-inspection, formulates a checklist, and submits the inspection results along with requisite evidence to the Group Human Rights Management Practitioners Committee within a predetermined timeframe.

② Group Human Rights Management Practitioners Committee's Initial Evaluation

- The Group Human Rights Management Practitioners Committee takes over the submitted checklist and verification materials from the department in charge and executes an autonomous Human Rights Impact Assessment. Independent professionals known for their reliability may be consulted during the evaluation process, and fair, sensible results are ensured. If needed, additional inspections of the target department can be conducted.

③ Group Human Rights Management Committee's Review and Approval

- The Human Rights Management Committee scrutinizes the evaluation outcomes from the Practitioners Committee and contributes their insights. If needed, additional inspections of the target department can be conducted.

④ Deriving Improvement Tasks and Formulating Action Plans

- The Human Rights Impact Assessment department and the target department, aiming to prevent or mitigate negative effects on human rights, devise improvement tasks and action plans based on the insights gained from the Human Rights Impact Assessment. They formulate specific implementation plans and corresponding measures across all departmental activities, including decision-making, budget allocation, monitoring procedures, and training.

⑤ Deliberation and Approval of Assessment Outcomes

- The Group Human Rights Management Committee undertakes a comprehensive review and decision-making process on the Human Rights Impact Assessment results, the range of external disclosure, improvement tasks, and action plans.

- The Group Human Rights Management Committee reports the outcome of their decision to each company's primary decision-makers. Especially, they strive to incorporate the results into company regulations, decision-making processes, budgets, and auditing procedures to the greatest extent possible.

Article 21: Execution of Improvement Tasks

- The department tasked with carrying out the improvement tasks proceeds in accordance with the action plan.
- The department prepares a report including the degree of horizontal integration to prevent adverse human rights impacts, the effectiveness in halting, mitigating, and preventing human rights infringements, and reasons for any non-observable effects and submits it to the Human Rights Impact Assessment department.

Article 22: Public Disclosure of Assessment Results

- Disclosure Medium: Results are suitably made public at opportune times via channels such as sustainability reports and the Company website.
- Disclosure Scope: Includes the number of reported human rights infringements, the number of identified and addressed risks, and the status of improvement implementation.

Chapter 5: Procedures for Human Rights Remediation

Article 23: Implementation of Procedures for Addressing Human Rights Violations

- The Company is obliged to develop an organizational structure, as well as reporting and reception channels, and operationalize remedial processes to prevent human rights infractions and provide protection and remediation for victims in the event of such transgressions.
- The organization responsible for the operation of the Company's human rights violation reporting system (henceforth referred to as the "designated organization") undertakes essential duties to counteract acts of human rights abuse against staff. These duties include providing educational programs and counseling, intelligence gathering, report intake, formal investigation, and offering protective measures for victims.
- To resolve instances of human rights violations, the Company may institute either a reporting system directly linked to top-level management or an independent decision-making body tasked with deliberating on specific matters (hereinafter "decision-making entity").
- Remediation procedures for human rights violations should fundamentally adhere to relevant laws and regulations.
- Accessibility and ease of use should be paramount in the human rights violation remediation procedures.

Article 24: Process for Handling Human Rights Violation Incidents

- Upon receiving reports of potential human rights abuses, the designated organization is obliged to promptly investigate the matter and ascertain the veracity of the violation claims.
- Should a human rights violation be confirmed, the designated organization must instigate discussions concerning remedial procedures, either by reporting directly to the principal decision-maker or by presenting the matter before the decision-making entity.
- The designated organization must swiftly inform the victim of the determinations deliberated and concluded by either the top-level management or the decision-making entity.
- Given the severity of the human rights violation incident, the principal decision-maker or decision-making entity has the authority to refer the case to an independent personnel committee or disciplinary committee, and when required, initiate legal actions (specific procedures for redress in cases of human rights violations are to be outlined separately).

- Should the victim opt to employ an alternative procedure outside the Company's remedial process, the Company is obliged to provide sincere assistance.

Article 25: Assurance of the Reporter's Anonymity

- Individuals who are or have been employed by the designated organization are prohibited from disclosing any information that might identify the reporter or victim. Moreover, they must maintain the confidentiality of all related information, including details about the victim, the nature of the violation, the remedial process, the resolution outcome, as well as the content of reports and notifications.
- The designated organization is responsible for implementing necessary measures to ensure that those reporting human rights violation cases or alerting the Company to potential human rights risks do not face repercussions due to their reporting.

Article 26: Post-Management

- The designated organization must continuously manage and monitor to ascertain that the victim encounters no obstacles or difficulties in carrying out their work or interacting within their work environment.
- Based on the needs of the victim, the designated organization is obliged to implement protective and supportive initiatives, which may include psychological counseling, creating distance between the victim and offender, and providing legal assistance.
- If the same issue is repeatedly reported, the designated organization is required to undertake a systematic approach to understand the root cause and implement measures to prevent such recurring instances.

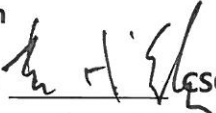

Article 27: Additional Provisions

- Aspects not specifically outlined within these guidelines shall be administered in accordance with relevant legal regulations and company policies.

Supplementary Provision

Article 1: (Date of Enforcement) These guidelines shall be enacted and enforced starting December 22, 2022.

HL Mando Corporation

CEO: Seonghyeon Cho  CSO: Hyeonwook Kim 

Sustainability Management Committee

Chair: Namil Kang 

Members: Sunyoung Park 

Wonil Kim 

Kichan Park 