

Hyundai E&C Sustainability Management Team

03058 Hyundai Bldg., 75, Yolgok-ro, Jongno-gu, Seoul

Chief

Special Procedures Branch

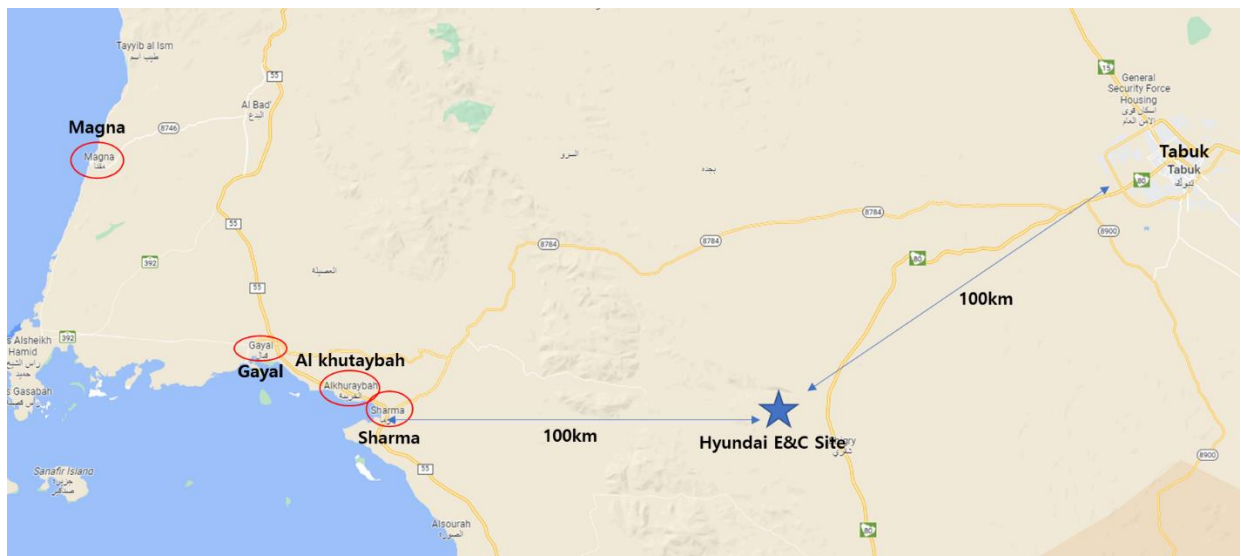
OHCHR

REF : UA OTH 42/2023

Subject : [Reply] Joint Urgent Appeal From Special Procedures

[Hyundai E&C's Comment]

1.



► Regarding this project, Hyundai E&C is under construction to excavate 12.6km long tunnel (Total 28km) Hyundai E&C in the Tabuk (where is mountainous terrain), more than 100km away from Sharma (Gayal, Sharma, Al Khuraibah). * Refer to Hyundai E&C's site map

For human rights management, Hyundai E&C is committed to complying with a wide range of recognized human rights/labor-related international standards and guidelines, such as the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights and International Labor Organization Constitution, OECD Due Diligence Guidance for responsible business conduct, and member of UNGC among others.

Hyundai E&C strives to build respect and protection for human rights in all countries in the world

where it leads to business. In addition, we are committed to prevent potential risks of human rights violations and to minimize negative human rights impacts.

2.

▶ As a global EPCM company, Hyundai E&C enacted the "HDEC Human Rights Policy" in May 2017 and continues to make effort to strengthen the ethical corporate culture by sharing the ethical management vision with all stakeholders including all our executives and employees, all partners.

This Human Rights Charter applies to all executives and employees (applying to all workers working at Hyundai E&C sites including irregular positions, hereinafter referred to as "Employees") of Hyundai E&C, including corporate bodies and branch offices at home and abroad, subsidiaries, affiliates, joint ventures, second-tier subsidiaries, and all partners (including suppliers and subcontractors).

3.

▶ There are no human rights violation in the area we are working in. Though, Hyundai E&C should manage and supervise the status of promoting the human rights management through the meetings of committees or management conferences participated in by the highest decision makers or decision makers of major departments or working conferences participated in by decision makers of key departments.

- Review of the establishment or revision of the Charter for Human Rights
- Establishment of the human rights management execution plan
- Evaluation of the human rights risk
- Operation of the grievance channel

4.

▶ Hyundai E&C should operate a channel (Online, 24 hours) to receive the report from officers and employees or third parties or organizations (reporters) that suffer a human rights violation or perceived human rights risk. Executives and employees of Hyundai E&C must not disclose, reveal

or otherwise report any personally identifiable information that may be used to identify a reporter. Upon receiving a report of a human rights violation, the characteristics of the individual report case are considered in discussion for a detailed relief plan regarding the case of human rights violence by the pertinent department.

In addition, human rights risk assessments are conducted on sites, and if the possibility of human rights violations or violations is identified in this process, related departments are notified in accordance with relevant internal regulations, and measures are taken to improve them.

5.

▶ A. Operation of the Grievance Procedure

Hyundai E&C should operate a channel to receive the report from officers and employees or third parties or organizations (reporters) that suffer a human rights violation or perceived human rights risk. Upon receiving a report of a human rights violation, the characteristics of the individual report case are considered in discussion for a detailed relief plan regarding the case of human rights violence by the pertinent department.

B. Education and Efforts to raise awareness

Hyundai E&C shall, with reference to court precedents, regulations of relevant government agencies, past internal practices and other industrial practices, strive to identify the best course of remedial action with support from the legal department. In addition, Hyundai E&C's Supplier Codes of Conduct" obliges suppliers/subcontractors who have business relations with the company to protect and respect labor/human rights and comply with related international agreements, and emphasizes through regular training.

C. Evaluation of Risk

Hyundai E&C should refer to the UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidance for Responsible Business Conduct, human rights management guidelines from the Ministry of Justice (currently in development), and others based on the basic principle of this Charter for Human Rights to develop and operate the assessment and due diligence index to evaluate the work environment, work conditions, human resource operation, industrial safety, and human rights risks to local residents and customers.

In addition, in order to secure the objectivity of written assessments and on-site due diligence, a

3rd party audit may be processed through an independent 3rd party agency.

6.

▶ Hyundai E&C should report meaningful indications, important risks and improvement plans confirmed through the evaluation of human rights risk to the major decision makers, including the committees (Include Corporate Governance& Transparent Management Committee) and working conference of management meeting and Hyundai E&C should disclose the information on cases of reports for human rights violations and evaluation results on human rights risks, measures of its improvement and moderation on the homepage, integrated report, and sustainable management report, etc.

7.

▶ With respect to 'high risk' and 'non-conforming matters' detected through written assessment, on-site due diligence or 3rd party audit, it may request immediate improvement or establishment of an improvement plan. Hyundai E&C should regularly review and revise the evaluation index and process for human rights risks in order to accurately find cases of human rights violations and efficiently operate the evaluation process.

8.

▶ Hyundai E&C apply "Human Rights Charter" including corporate bodies and branch offices at home and abroad, subsidiaries, affiliates, joint ventures, second-tier subsidiaries, and all partners (including suppliers and subcontractors), also priority to comply with local laws and regulations and submits an implementation report on the 10 principles every year through UNGC membership.