

# Social

The primary purpose of every business is to generate profit. However, those which fail to fulfill their obligations as responsible members of society in the process of creating economic value are no longer sustainable. Having committed itself to the pursuit of sustainable growth, Hyundai considers the right direction for achieving growth and the right changes for society as a member of the global community, spreading social value so that more people can benefit from the greater value created by Hyundai.

3.1	Human Rights and Human Resources Management
3.2	Health and Safety
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# Human Rights and Human Resources Management

Hyundai Motor Company endorses international standards and guidelines related to human rights and labor, and promotes human rights management across global supply chain. We have defined the four stakeholder groups of employees, suppliers, local communities, and customers & consumers for human rights management, and collaborate with the internal departments related to each of these groups to set annual priorities for human rights management and make necessary improvements. In addition, we conduct annual due diligence across our business sites and suppliers to identify both potential and actual human rights risks, and implement appropriate mitigation measures accordingly. In human resources management, we implement a talent recruitment strategy designed to sharpen our competitive edge in the future business landscape and have established a training system to support employees in enhancing their core competencies, along with fair performance compensation, customized welfare benefits, and global corporate culture programs. We believe in the strength of employees utilizing their diverse backgrounds and experiences when working together in the service of our goals.

## Advancing Human Rights Management

### Direction and Strategy

Hyundai Motor Company endorses the following international standards and guidelines in the areas of human rights and labor which guide our efforts to advance human rights management across our global sites.

#### List of International Standards and Guidelines

Universal Declaration of Human Rights	OECD Due Diligence Guidance for Responsible Business Conduct
UN Guiding Principles on Business and Human Rights	UN Convention on the Rights of the Child
ILO Declaration on Fundamental Principles and Rights at Work	UN Convention on the Elimination of All Forms of Discrimination Against Women
OECD Guidelines for Multinational Enterprises	UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children

#### Human Rights Management Promotion System

Targets and Key Topics of Human Rights Management		
Stakeholder	Key Topic	Relevant Department
Employee	Working conditions, labor union, health & safety, discrimination, diversity, data privacy	HR, ER, health & safety, information security
Supplier	As above + child/forced labor	Procurement, health & safety, departments related to new business
Local community	Forced labor by vulnerable groups, living environment	Procurement, departments related to new business
Customer & consumer	Data privacy, right to know, discrimination, product safety	Promotion & marketing, customer service, information security, quality

Progress and Plan for Human Rights Management by Area					
	Governance	Education	Commitment	Due Diligence	Remediation
Current Status	<ul style="list-style-type: none"><li>Set KPIs for human rights-related organizations and domestic and overseas business sites</li><li>Operate the Supply Chain Sustainability Council</li></ul>	<ul style="list-style-type: none"><li>Include human rights in ESG training content</li><li>Conduct global D&amp;I education</li><li>Provide job-specific human rights management education</li></ul>	<ul style="list-style-type: none"><li>Disclose the Human Rights Charter, D&amp;I Policy, and Non-Discrimination and &amp; Anti-Harassment Policy</li><li>Communicate the principles of the Human Rights Charter across global sites(translated in local languages)</li></ul>	<ul style="list-style-type: none"><li>Conduct due diligence at business sites and suppliers</li><li>Continuously monitor the improvements made based on due diligence results</li></ul>	<ul style="list-style-type: none"><li>Operate channels to receive employee grievances and manage data (One Click HR, etc.)</li></ul>
Plan	<ul style="list-style-type: none"><li>Establish a council to cover wide-ranging human rights issues</li></ul>	-	<ul style="list-style-type: none"><li>Regularly update the Human Rights Charter</li></ul>	<ul style="list-style-type: none"><li>Conduct human rights impact assessments on local communities/ consumers</li></ul>	<ul style="list-style-type: none"><li>Operate channels to receive grievances from all stakeholder groups</li></ul>

We define the four key stakeholder groups of employees, suppliers, local communities, and customers & consumers for human rights management. There are five focus areas – Governance, Education, Commitment, Due Diligence, and Remediation – of human rights management, and each area is analyzed annually for its current status and deficiencies to set key priorities for the year. Once priorities are established, we engage in consultations with relevant departments including HR, procurement, health & safety, and legal affairs to explore step-by-step improvement measures and drive meaningful change. Going forward, we will do our utmost to establish a global corporate culture upholding and respecting the human rights of stakeholders.

#### Human Rights Management Governance

Continuous Reporting System

Board of Directors(Sustainability Management Committee)

▲

Top Management(C-Level)

▲

Executives Responsible for Each Function

▲

Departments Engaging in Human Rights Management for Each Stakeholder Group

Issue Response System(Supply Chain Sustainability Council)

- Cycle: Operate quarterly(convene emergency meetings when necessary)
- Objective: Detect supply chain human rights/environmental risks and make internal decisions on relevant issues

Internal Status Assessment and Improvement

Response to External Stakeholders

Procurement

Legal

ESG

IR

PR

Government Affairs

Roles of Each Organization

Department	Roles	Department	Roles
ESG Planning Team	<ul style="list-style-type: none"> <li>• Establish human rights management strategy and promote improvement tasks</li> <li>• Conduct human rights due diligence at domestic and overseas business sites</li> <li>• Respond to external human rights assessments and disclose a sustainability report</li> </ul>	Legal	<ul style="list-style-type: none"> <li>• Provide compliance/ethical management activities for employees</li> <li>• Conduct legal reviews on human rights issues</li> </ul>
HR	<ul style="list-style-type: none"> <li>• Receive employee grievances over sexual harassment and workplace bullying, investigate and follow-up(domestic and overseas)</li> <li>• Conduct activities to improve the employee organizational culture</li> <li>• Prevent unfair or unreasonable discrimination in recruitment</li> </ul>	Procurement	<ul style="list-style-type: none"> <li>• Conduct and support suppliers due diligence (domestic/overseas)</li> <li>• Improve human rights risks at suppliers</li> <li>• Receive and manage the grievances of suppliers</li> </ul>
ER	<ul style="list-style-type: none"> <li>• Maintain cooperative labor relations at domestic and overseas</li> </ul>	Data Privacy	<ul style="list-style-type: none"> <li>• Protect the private data of employees, suppliers, and consumers</li> <li>• Operate the Hyundai/Genesis Privacy Center</li> </ul>
Health & Safety	<ul style="list-style-type: none"> <li>• Conduct internal safety management, prevent employee/supplier accidents, and handle accidents</li> </ul>	Business Site	<ul style="list-style-type: none"> <li>• Ensure that each business site conducts human rights protection activities for its employees</li> </ul>
IR, PR, Government Affairs	<ul style="list-style-type: none"> <li>• Respond to external stakeholders making inquiries or calling for clarification in relation to human rights issues</li> </ul>		

# Human Rights and Human Resources Management

## Human Rights Education

**Statutory Education and D&I Education**   We provide human rights education to ensure employee's adherence to the Human Rights Charter and raise their human rights awareness. To date, nearly 20 such courses have been conducted to address overall human rights management including the concept of human rights management, cases of human rights violations, relevant laws and regulations and industry trends, in addition to statutory contents on the prevention of sexual harassment and the improvement of perceptions on disability. Since 2022, we have provided all employees with annual education on the prevention of workplace bullying in line with the increasing social awareness on this specific topic. To facilitate a company-wide shift in perceptions on ethical management, we provide ethical management training to team leaders in Korea, and this was extended to cover the heads of overseas subsidiaries and expatriates.

In March 2025, we distributed a global D&I (Diversity and Inclusion) education video among all our 60,000+ employees in domestic and overseas. The video helped us introduce varying definitions of diversity and inclusion in the workplace while underscoring the need to establish a corporate culture built on the principle of respect for each employee and that averts any form of discrimination in the workplace.

For suppliers, we provided online presentations on Hyundai Motor Company's 'supply chain ESG risk due diligence' and 'conflict mineral management process' to help them understand the necessity for human rights management and our human rights risk management practices. This also covered the basic principles of human rights management that suppliers should comply with as per the Hyundai's Code of Conduct for Suppliers, including non-discrimination, humane treatment, and working hour management. The supplier ESG briefings we hosted were attended by a total of 600 suppliers.

### Global D&I Education

• <b>Purpose</b>	Raise employees' awareness on human rights and enhance vigilance against acts of discrimination in the global working environment
• <b>Target</b>	Nearly 60,000 persons(all employees except production employees, technicians, mechanics)
• <b>Topic</b>	Definition of surface-level/deep-level diversity, importance of an inclusive corporate culture
• <b>Method</b>	Online learning platform for domestic/overseas employees

### Outcomes of Human Rights Education in 2024

D&I Education (in 2025, domestic+overseas)	Workplace Harassment Prevention Education(Korea)	ESG Education for Suppliers
		
Number of employees subject to education	Number of employees subject to education	Number of participating suppliers
Approximately <b>60,000</b> people	Approximately <b>70,000</b> people	<b>600</b> companies

## Human Rights Commitment

**Human Rights Charter**   Since establishing the Human Rights Charter in 2020, Hyundai Motor Company has been steadfastly committed to upholding the principles enshrined in the Charter. Our Human Rights Charter applies to our own employees (executives and workers) and to the employees of domestic/overseas production and sales entities, subsidiaries and second-tier subsidiaries, and joint ventures. Our employees comply with this Charter when interacting with suppliers and sales/service organizations, and we encourage all stakeholders in business relationship with us to respect the Charter.

 [Hyundai Motor Company's Human Rights Charter](#)

### 10 Human Rights Principles of Hyundai Motor Company

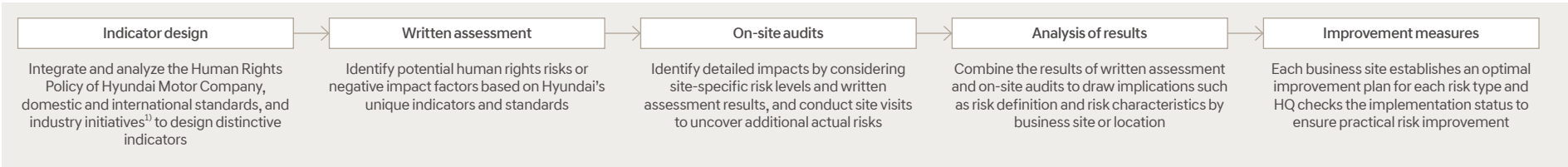
<b>Article 1</b>	Prohibition of Child Labor and Forced Labor	<b>Article 6</b>	Guarantee of Industrial Safety
<b>Article 2</b>	Prohibition of Discrimination and Workplace Harassment	<b>Article 7</b>	Protection of the Human Rights of Local Residents
<b>Article 3</b>	Compliance with Working Conditions	<b>Article 8</b>	Protection of the Human Rights for Customers
<b>Article 4</b>	Humane Treatment	<b>Article 9</b>	Responsible Supply Chain Management
<b>Article 5</b>	Guarantee of the Freedom of Association and Collective Bargaining	<b>Article 10</b>	Guarantee of Environmental Rights

We revised the Human Rights Charter in 2023 by incorporating the principle of zero tolerance against child labor and forced labor, supplementing the procedures to file reports on human rights violations, and establishing provisions on responsible supply chain management and the guarantee of environmental rights. The Charter was amended once again in 2025 by articulating on the list of international human rights conventions that we endorse to further highlight our commitment to human rights management. Our Human Rights Charter will undergo regular reviews and revisions to keep current with the latest human rights issues and the amendments made to relevant international guidelines.

**Non-Discrimination & Anti-Harassment Policy**   Hyundai announced a Non-Discrimination & Anti-Harassment Policy, aiming to prevent incidents and issues related to workplace discrimination, harassment, and sexual harassment while respecting the right of employees to be treated equally and without discrimination. In accordance with the Non-Discrimination & Anti-Harassment Policy, the following behaviors are strictly prohibited – exclusion or rejection of individuals or groups based on their differences; inflicting physical or mental suffering by leveraging one's position or relationship within the workplace; and engaging in actions that cause sexual humiliation or feelings of disgust.

 [Hyundai Motor Company's Non-Discrimination and Anti-Harassment Policy](#)

### Human Rights Risk Assessment Process



1) UNGPs, OECD Guidelines for Multinational Enterprises and Due Diligence Guideline, CHRB, Drive Sustainability, etc.

## Human Rights Due Diligence

**Scope of Human Rights Risk Assessment**   We select due diligence targets by taking into account the relevance between our main business and that of respective subsidiaries, management structures, and risk level assessment outcomes. In 2024, a total of 74 subsidiaries were subject to due diligence in consideration of their connection to vehicle manufacturing supply chains, and some of them underwent on-site audits in collaboration with third-party auditors. The scope of Hyundai Motor Company's human rights due diligence covers more than 90% of the total workforce. We aim to regularize this human rights due diligence to periodically enhance our human rights risk assessment metrics and criteria.

### Scope of Human Rights Risk Assessment

<b>Production subsidiary</b>	Ulsan Plant, Asan Plant, Jeonju Plant and overseas plants by region
<b>Korea HQ and Overseas Regional HQs</b>	Headquarter in Seoul and other overseas regional headquarters
<b>Research center</b>	Namyang R&D Center and overseas research centers
<b>Domestic subsidiary</b>	HIGHTECH centers and delivery & release support centers
<b>Overseas subsidiary</b>	Overseas sales subsidiaries by region and others

**Groups Vulnerable to Human Rights Risks**   Taking into account such factors as employee composition, business operations and locations, products and services offered, and environmental and community impacts, as well as the sourcing of products and services from the supply chain, Hyundai has identified employees, local communities, women, children, migrant workers, non-regular workers, and suppliers as key subjects of the assessment of human rights risks. In addition, we proactively identify and prevent human rights risks according to a separate ESG checklist review of investments in plant construction and expansion resulting from new business relationships (including mergers, acquisitions, joint ventures, new contracts, etc.).

**Design of Human Rights Risk Assessment Indicators**   We strive to accurately identify human rights risks that are latent or likely to occur both within and beyond our business areas. To this end, we have developed assessment indicators based on the Hyundai Human Rights Charter, referencing domestic and international human rights management standards, industry initiative manuals, and the best practices of peer companies. Furthermore, we have established and applied our own human rights risk due diligence indicators by categorizing the types of human rights related grievances previously received and handled, gathering the opinions of employees, and reviewing these together with third-party specialized organizations.

# Human Rights and Human Resources Management

**Prediction of Human Rights Risk** Prior to written assessment and on-site audits of human rights risks, Hyundai conducts research on the following matters: the legal and regulatory landscape regarding human rights in each country; investigative materials from domestic and international institutions and media related to human rights; documentation on industry human rights initiatives and interviews and consultations with business site personnel in order to gather their insights and opinions. By examining the internal and external environments, Hyundai aims to proactively anticipate potential human rights risks that could arise from a variety of groups, including employees, women, children, migrant workers, suppliers' employees, and local residents.

Human rights risk prediction results inform our efforts to apply due diligence indicators differently by business site level, or to supplement or enhanced indicator-specific criteria to accurately capture risks. The 2024 prediction results remained almost unchanged from those of 2023, presenting possible human rights risks in Korea in the areas of suppliers' working conditions (wage, working hours, etc.) as well as discrimination and workplace bullying. Concerning overseas operations, forced labor involving migrant/non-regular workers and women/children, child labor, and discrimination were identified as potential risks.

**Written Assessment of Human Rights Risk** Hyundai identifies potential human rights risks in various areas by carrying out a written assessment in the form of a questionnaire, based on human rights risk due diligence indicators developed with our business environment and characteristics in mind. Regarding the written assessment, we aim to enhance its effectiveness by providing specific criteria and requirements designed to facilitate each business site's response. Potential risks identified through the written assessment are further verified and validated through on-site audits.

The assessment indicators used in 2023 were revised in 2024 and written assessments were performed accordingly across 14 categories covering nearly 70 questionnaire items. The insights we gain based on the assessment results will drive our efforts to proactively identify potential human rights risks within our operations and take appropriate actions. The written assessment indicators are regularly updated with reference to relevant global guidelines.

## Written Assessment Indicators of Human Rights Risks

1. Human rights and labor risk		4. Working environment improvement	
1-1	Human rights and labor structure	4-1	Working environment improvement activity
1-2	Human rights and labor compliance risk	4-2	Grievance mechanism
2. Working environment management		5. Supply chain human rights/labor management	
2-1	Internalization of human rights and labor policy	5-1	Supplier Code of Conduct
2-2	Work management	5-2	Supply chain risk management
2-3	Employee diversity	5-3	Forced labor risk management in the supply chain
3. Human rights risk management		6. Respect for human rights beyond the workplace	
3-1	Prohibition of unfair treatment	6-1	Human rights management within the dormitory
3-2	Forced labor and child labor	6-2	Human rights management within the cafeteria

**On-site Audit of Human Rights Risk** To ensure the reliability of the results of the written assessment, Hyundai selects business sites for on-site audits, taking into consideration various factors such as the location of the site and its operational characteristics, worker composition, and its impact on the local community. Particular attention is paid to business sites where potential human rights risks are identified or where negative impacts are anticipated, prioritizing them for on-site audits.

On-site audits are conducted by internal experts responsible for HR, safety, and organizational culture under the leadership of independent third-party auditors. In addition, consultation with external experts in labor and law may be involved, if necessary. At the audit sites, we review various documents in order to verify the working conditions and conduct site tours to assess the working environments, such as safety devices and environmental facilities. In particular, we conduct interviews separately in a dedicated space with the employees and personnel in charge of each workplace in order to hear their grievances and identify human rights risks. In the future, we will continue to refine our on-site audit methods so as to incorporate more diverse perspectives and enhance the reliability of our human rights risk assessments.

## Results of Human Rights Risk Assessment(Written Assessment) (Unit: %)

Classification		Results
Hyundai business sites	Ratio of business sites where human rights risks assessment was conducted <sup>1)</sup>	100
	Ratio of business sites where risks were identified	8.1
	Ratio of improvement measures and activities taken	100
Suppliers	Ratio of suppliers where human rights risks assessment was conducted	100
	Ratio of suppliers where risks were identified <sup>2)</sup>	1.3
	Ratio of improvement measures taken	100

1) Percentage of business sites where the human rights risk assessment was conducted measured against the total number of business sites subject\* to the assessment  
\* Domestic: All sites, Overseas: Sites with over 50% of headquarters' ownership and more than 50 employees  
2) Ratio of suppliers where risks were identified = No. of tier-1 suppliers where risks were identified (19) / No. of tier-1 suppliers that received written assessment(1,494)

 [Human rights due diligence at Hyundai business sites](#)

 [Human rights due diligence at suppliers](#)

## Prediction results of Human Rights Risk

	Prohibition of child labor and forced labor	Prohibition of discrimination and harassment	Compliance with working conditions	Guarantee of the freedom of association and collective bargaining	Guarantee of industrial safety	Protection of the human rights of local residents	Guarantee of environmental rights
Domestic							
Employees	○	●	○	○	●	○	○
Suppliers	○	●	●	●	●	○	○
Local Communities	○	○	○	○	○	●	●
Women	○	●	○	○	○	●	○
Overseas							
Employees	○	●	○	●	●	○	○
Migrant and Contract Workers	●	●	●	●	●	●	○
Suppliers	●	●	●	●	●	○	○
Local Communities	○	○	○	○	○	●	●
Women	●	●	●	○	○	●	○
Children	●	○	○	○	○	●	○



# Human Rights and Human Resources Management

**Written Assessment Results for Our Own Operations**    Hyundai conducted human rights risk assessments on a total of 74 business sites, including those in Korea and overseas as well as joint ventures. Out of these, 41 are located overseas across North America, Central and South America, Europe, India, and China.

These written assessment revealed that our operations in Korea and overseas achieved an average indicator compliance of approximately 83%, with results varying by region due to the application of upgraded assessment indicators compared to the previous year. Notably, compliance rates were relatively lower at overseas locations than those in Korea. These findings will inform our efforts to provide guidance and strengthen support to help our overseas operations enhance their human rights management.

**On-site Audit Results for Our Own Operations**    We conducted on-site audit on production subsidiaries in Korea and Europe in 2023, followed by five production subsidiaries in Central and South America and the Asia Pacific region in 2024. Such on-site audit partially identified the need to raise local awareness on human rights and supplement relevant management systems including grievance mechanisms. In particular, certain overseas subsidiaries in their early operational phase were flagged for necessary improvements to align with global standards and initiatives in terms of recruitment and disciplinary procedures. For risks uncovered through on-site audit, immediate actions were taken on site where feasible, and risks requiring additional reviews were addressed by developing mid/long-term improvement plans at the site level.

In 2025, we plan to conduct on-site audit on our production subsidiaries in North America and China, and then proceed with regular on-site audit on production subsidiaries in Korea and abroad.

**Measures to Address Human Rights Risks**    Responsible personnel at respective sites identify improvement priorities based on the risks uncovered through written assessment and on-site audits while establishing implementation plans and taking relevant measures. Such implementation plans outline the timing and method of execution along with additional anticipated risks. The Headquarters monitors each site for their progress in implementing priorities as planned. If a priority takes considerable time for implementation or requires regulatory/institutional improvement or large-scale investments and structural change, it is elevated as a company-wide priority and is implemented by developing mid/long-term plans.

As part of the improvements made based on the 2024 due diligence results, we provided our entire global sites with D&I(Diversity & Inclusion) education to raise employee awareness of non-discrimination and humane treatment. Our recruitment process was improved by conducting pre-interview training for interviewers and eliminating requirements for unnecessary personal information within submitted resumes. We also supplemented our post-disciplinary follow-up process to establish a healthy working environment across global operations.

## Analysis of Human Rights Risk by Region



**Europe**

We are strengthening our human rights due diligence process at our own operations and across supply chains in line with the latest regulatory trends including EU Corporate Sustainability Due Diligence Directive (CSDDD). Through various policies, including the Human Rights Charter, we strictly prohibit discrimination on the grounds of gender, ethnicity, age, and race among others, and provide specific behavioral guidance for addressing human rights risks.

On-site audit was conducted in 2023 on our business sites to assess the establishment of basic management systems covering the localization of human rights policies, training and dissemination efforts, and grievance mechanisms at the subsidiary level.



**North America**

Both federal laws and state regulations provide detailed provisions for human rights protection. Each site is also establishing their management system to abide by local laws and regulations.

In 2025, on-site audit is scheduled for production subsidiaries in North America, and any identified deficiencies will be addressed through ongoing improvement efforts.



**Central & South America**

Our subsidiaries in Central and South America have independently established human rights protection policies and communicated these policies to employees while providing training on preventing sexual harassment and workplace bullying. In this region, a variety of policies and regulations are being enacted to address labor-related issues.

The 2024 due diligence results did not reveal any significant deficiencies within the workplace.



**India**

Although the formal caste system has been abolished, the influence of social stratification persists.

While societal awareness regarding workplace harassment is relatively low, severe consequences are imposed in case of human rights violations. In order to protect maternity, subsidiaries in India operate various support policies such as guaranteeing maternity leave and other maternity-related support and operating an inhouse daycare center.

In 2024, on-site audit was conducted to help review the protection of rights for non-regular workers and in-house subcontracted workers and make necessary improvements.





**China**

The Labor Law of the People's Republic of China prohibits discrimination and ensures equal rights for workers.

Many of our subsidiaries in China have specified their own obligations and compliance requirements related to the rights and interests of employees. In line with the revised Civil Law of 2021, which introduced the obligation of companies to prevent sexual harassment, these subsidiaries have established internal regulations(including disciplinary action) and conducted preventive education for their employees.

In 2025, on-site audit is scheduled for production subsidiaries in China, and any identified deficiencies will be addressed through ongoing improvement efforts.

### Measures to Address Risks by Type

Human Rights Education	<ul style="list-style-type: none"><li>• D&amp;I education targeting employees across all domestic/overseas sites</li><li>• Human rights management education for employees working in relation to stakeholders' human rights(in 2Q 2025)</li></ul>	
Working Environment	<ul style="list-style-type: none"><li>• Improve the recruitment process(provide interviewer training, eliminate requirements for unnecessary personal information)</li><li>• Improve the disciplinary process(supplement the process to take follow-up measures after disciplinary actions)</li></ul>	

### Human Rights Risk Due Diligence as Part of the Investment Decision-Making Process

In 2024, Hyundai established ESG risk screening procedures as part of the investment review process for projects relating to plant construction and expansion. Our checklist was designed to assess a broad array of ESG risks by referencing global standards associated with project investments, including International Finance Corporation's Performance Standards on Environmental and Social Sustainability and Equator Principles. This checklist is notable for its inclusion of items intended to prevent any adverse impact on stakeholder human rights covering impacts on local communities and indigenous peoples in addition to those on cultural heritage and ecosystem conservation. This checklist supported our risk assessment efforts in 2024 for the expansion of our production plant in Pune, India.

In 2025, we plan to extend the scope of these ESG risk screening procedures to cover joint venture/equity investments. These procedures will first apply to investment decision-making for mines and smelters deemed to carry significant risk exposure.

# Human Rights and Human Resources Management

## Remediation

**Human Rights Grievances**   Hyundai has set in place a procedure for receiving, addressing, and taking action on concerns related not only to discrimination, harassment, and sexual harassment but also to improving organizational culture and working conditions. The grievance handling channels are operated in a variety of forms, both online and offline, such as postal services, hotlines, and the cyber audit office, to enhance accessibility for complainants. The anonymity and confidentiality of complainants are ensured, and any form of retaliation, identity exposure, or adverse employment actions related to reporting complaints is strictly prohibited.

Upon receiving a complaint, the process involves promptly assessing the situation according to the established procedures. If necessary, efforts are made to address the root causes of the complaint, improve internal systems or work methods, and prevent recurrence. Furthermore, for employees who have had a negative impact on human rights through actions such as discrimination or harassment, we review the criteria and procedures specified in employment rules and disciplinary regulations to determine appropriate personnel actions. We keep track of the actual implementation of such actions through oversight by the responsible department. When deemed necessary depending on the severity of the issue in question, this may involve cooperation with third-parties or consultations with high-level executives.

### Employee Grievances in 2024

Number of grievances received	Number of grievances addressed	Grievance resolution rate
50 cases	50 cases	100 %

\* Limited to grievances received through the One Click HR (Korea)  
\*\* addressed: The grievance has been handled appropriately and the case is considered closed, either by responding to the complainant, implementing corrective action, or other suitable means.

**Grievance Mechanism Monitoring and Improvement**   Employees are a key stakeholder group whose human rights could be impacted by a company's activities. We employ a range of communication channels to heed the voice of individual employees and employee representatives and monitor our grievance mechanisms. The data gained through this process enables us to effectively protect our employees and continually improve our procedures, programs, and systems to prevent similar grievances from occurring.

Domestic	Overseas
<ul style="list-style-type: none"><li>• Engage in consultations with labor unions and collect their feedback to supplement internal regulations governing employee grievance mechanism with the aim of protecting the affected person/complainants from retaliation</li><li>• Review the process to address sexual harassment in the workplace while collecting feedback from those affected and improving the disciplinary methods to avert secondary/similar harms</li><li>• Leverage the Labor-Management Council to verify the need to improve the working environment to accommodate an increasing number of female employees at production plants, supplement facilities available for expecting mothers, and work to check their use status on an on-going basis</li><li>• Provide tailored support for the grievances raised by employees until their full resolution through responsible personnel monitoring the progress made</li></ul>	<ul style="list-style-type: none"><li>• <b>[Hyundai Motor Central &amp; South America HQs]</b> Regularly identify vulnerable areas using grievance data and report to the Compliance Committee, conduct employee training, and revisit survey questionnaires</li><li>• <b>[Hyundai Motor Türkiye Otomotiv A.Ş.]</b> Communicate reports outlining key grievances and action plans to management and relevant departments each month and share feedback to make improvements and prevent similar concerns (100% of the grievances submitted in 2023 were resolved)</li><li>• <b>[Hyundai Motor Manufacturing Czech]</b> Appoint one employee per every 50 employees as a contact point for communication to hold regular meetings and gather feedback on grievances</li></ul>

## Protecting the Human Rights of Employees

**Child Labor**   We strictly prohibit the employment of children in compliance with our Human Rights Charter and the pertinent laws of the countries where we operate. To prevent child labor, we verify the age of potential employees in the recruitment process. If child labor is identified despite our best efforts, we will take immediate action to protect the affected child and remedy the harm done. Our remedy programs may include assessing the child's current situation to ensure their safety, reviewing appropriate remedy measures in cooperation with the child, the family or third-party organizations, and supporting the child's safe return home when necessary. We keep monitoring the situation until the case of child labor is completely resolved.

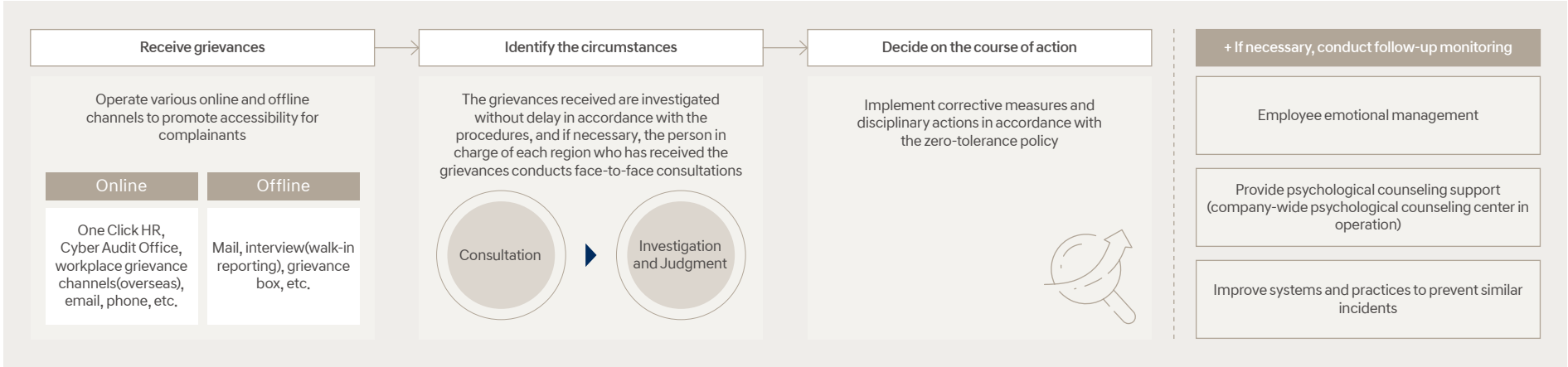
**Forced Labor**   We recognize the presence of interns and other groups vulnerable to human rights violation, and strive to avert the occurrence of forced labor that infringes on the human rights of employees. We do not impose unfair recruitment-related fees on employees, nor do we retain original documents containing personally identifiable information for the purpose of forced labor. We provide fair compensation for the work performed by employees without unreasonable deductions, and notify legitimate deductions through pay statements.

Such principles equally apply to agencies doing business with Hyundai Motor Company. In the event any non-compliance with these principles is identified through monitoring, we reserve the right to suspend business relationships and take other appropriate actions depending on the severity of the issue at hand or the proactive efforts made to remedy the harm or make necessary corrections.

### Cases of Forced Labor Prevented and Monitored

Description	Region
Cleary state in the employment application form that the company does not impose any fees	Hyundai Motor de Mexico
Verify if any fees were imposed by agencies after the employee's hiring	Hyundai Motor Türkiye Otomotiv A.Ş

## Grievance Procedure





# Human Rights and Human Resources Management

## Strategic HR Management

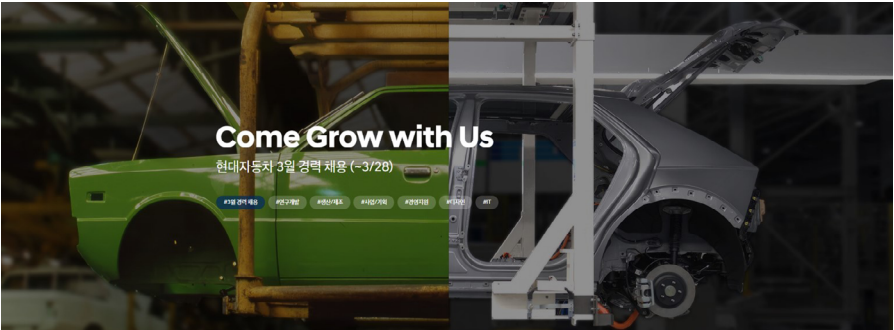
### Talent Recruitment and Management

**Process and System** Hyundai enhances its recruitment process by taking into account the perspective of each candidate. Recently, we introduced a “predictable” permanent recruitment strategy by combining the advantages of large-scale and rolling recruitment. We conduct monthly recruitment drives for experienced candidates and quarterly ones for new recruits, enabling applicants to predict when they will be able to submit their job applications. We also run various internship programs for domestic and global talents, including those from ASEAN, providing them with opportunities to gain practical experience and enhance their skills at Hyundai.

To this end, we define the expertise, qualifications, and skills required by departments seeking talents in advance, establish the selection criteria, and have a system in place for the timely recruitment of job-oriented talents with active departmental participation. We also have a dedicated recruitment support department composed of decision-makers from HR and other relevant departments who evaluate the expertise and suitability of applicants in a fair manner.

To protect applicants from experiencing discrimination due to their personal characteristics during the recruitment process, we not only specify necessary precautions within the interviewer guide, but also provide relevant information in conducting interviewer training. In particular, those who do not complete such training are deemed not qualified to serve as interviewers, ensuring professional conduct on the part of interviewers as well as job applicants.

Following hiring, regular internal audits are performed to monitor transparency, and improvements are made if any issue is revealed with regards to fairness and reliability. We provide a checklist for applicants to self-assess the fairness of our recruitment process to enhance its transparency, and have recently revamped our recruitment website to make it easier for applicants to access relevant information and submit their application. We ensure preferential consideration for those eligible for employment protection (people with disabilities, men of national merit, etc.) as per applicable laws and regulations. We are also upgrading our internal recruitment management system to incorporate data-based analyses and make our recruitment process fairer and more trustworthy.



**Talent Acquisition Strategy for New Businesses/New Technologies** To proactively secure talents for new businesses and new technology fields and strengthen our future competitiveness, Hyundai implements various recruitment strategies, including talent sourcing, and operates a dedicated sourcing organization. We are proactively building our talent pool for new business strategies, conducting activities to discover talents through various channels, and enhancing our recruitment brand image as a future mobility technology company.

**Internal Recruitment and Job Transfer** We implement job transfers as the need arises to meet the staffing needs of working-level departments and assist employees in their career development. Besides, we offer regular internal recruitment opportunities, allowing employees to apply for their preferred department or role. This also allows department heads to proactively propose roles to employees who express interest in such roles. Employees who wish to transfer or receive internal scout proposals become eligible for job transfers following the set selection process including document reviews and interviews. We fully leverage our internal recruitment and job transfer programs to help employees with career and competency development.

**Career Consulting Service** We provide executives aged 50 and older with career transition training and consulting programs during their tenure and beyond their resignation. While employed, these executives are assisted in developing their long-term personal career plans through trainings covering a broad array of areas such as life planning, start-up, reemployment and certification acquisition. This is further supported by one-on-one counseling, dialogue with senior colleagues, Special Startup Day, and small group discussions aimed at providing practical assistance.

After leaving the company, they are provided with year-long specialized training and consulting categorized into cross-functional and special training covering change management, exploration of career alternatives, and certifications. Specialized consulting and follow-up management ensure that they stay on track in pursuing new career goals. Our career consulting service supports employees with their continuous growth beyond their time with the company.

**Empowering Employees to Develop Competencies that Align with the Green Transition** We offer electrification reskilling training to employees in the R&D and AVP divisions, with an aim to safeguard these employees as much as possible from the impact of the green transition while supporting them to acquire new skills and explore different roles. This comprises a total of five training courses per year and is conducted in a way that ensures employees in need of such training can participate without disrupting their current responsibilities. The training covers both theory and practice as well as pre/post-training online learning to promote their continuous and well-aligned learning journey.

**Performance Evaluation System** In order to ensure a fair and inclusive evaluation based on performance/competence, Hyundai has set in place performance evaluation by objective and continuous feedback system, targeting general and research employees. Employees manage annual key tasks and objectives according to the goals of their organization and conduct year-round performance management to achieve the tasks assigned to each individual. Leaders and team members exchange continuous feedback during the work process, documenting the process for use in the year-end evaluation.

• **Performance Management and Feedback** We operate a range of feedback programs designed to support interactive communication to drive employee growth and enhance our corporate culture. All our executives engage in one-on-one coaching sessions with high-level leaders to cascade a feedback-oriented culture from the leader level. On-going and regular feedback is also provided to foster timely exchange of ideas and feedback sharing between leaders and team members. This helps members brief their leader of progress updates and matters requiring support while leaders offer coaching at critical moments by comprehensively taking into account overall execution including collaboration with colleagues and organizational contribution as well as individual member performance. Such feedback sessions ensure both leaders and members check in on their performance and encourage fair performance management on the part of leaders while boosting employee motivation. This is paired with surveys conducted at key internals to regularly gather employee input on our feedback process and incorporate such feedback in improving relevant systems.

• **360° Multi-Faceted Evaluation** Our 360° multi-faceted evaluation targets both leaders and team members. Each year, leaders receive 360° feedback through the Leadership Surround View (LSV) to gain objective insights on themselves and enhance their leadership skills. This is also made available for team members through the Peer Surround View(PSV) conducted in the first and second half of the year. At Hyundai, we encourage proactive feedback sharing among a broader network of collaborating colleagues to drive mutual growth and a culture of collaboration.

# Human Rights and Human Resources Management

## Talent Development and Professional Competencies

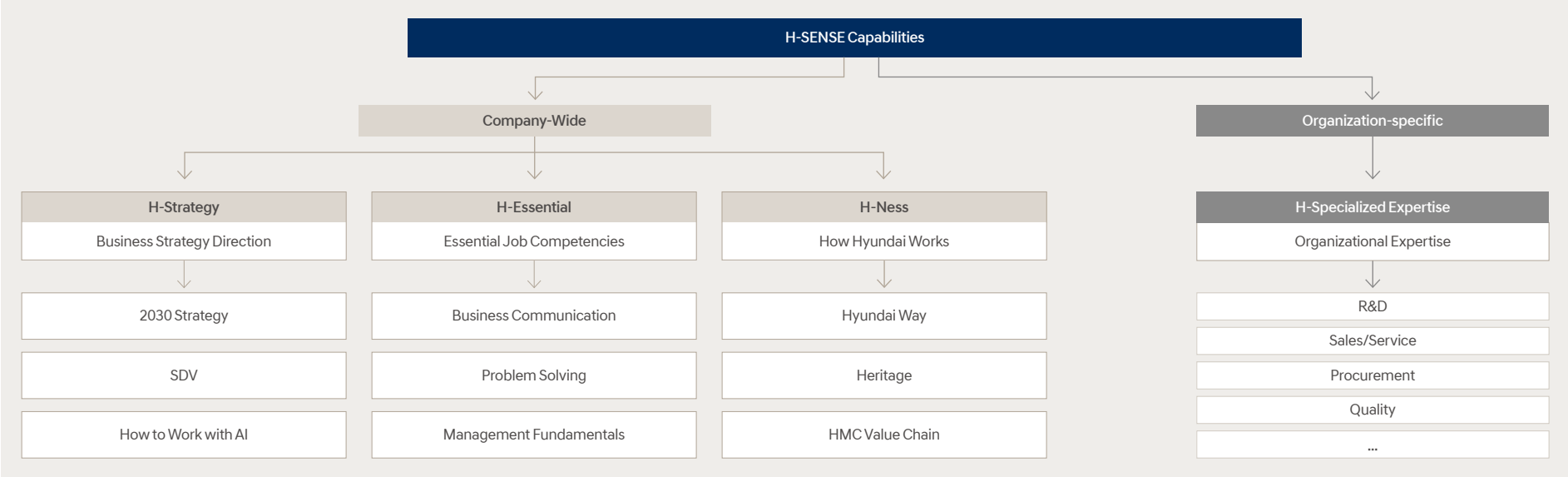
To align our operations with the set business strategic approach and enhance our core capabilities including job competencies, we offer a wide spectrum of learning solutions under the brand 'H-SENSE' meaning essential capabilities expected of all full-time employees at Hyundai Motor Company.

‘H-SENSE Must-see’ is distributed quarterly as mandatory learning content for our global employees to help deepen their understanding on our core business strategies. To instill ‘How Hyundai Works’ characterized by the Hyundai Way which defines how we work as well as the Hyundai Heritage, we provide programs by job level and position in alignment with the HR system when our employees assume new roles through promotion or assignment. The DX Academy, up and running throughout the year, also assists employees in enhancing their digital transformation (DX) competencies in areas such as AI, data and software with an aim to reinforce future-proof DX capabilities. To help employees build stronger job expertise, each organization identifies its core competencies while developing and operating associated training programs. Our global career development program provides top talent recognized for their globally-minded acumen and professional excellence with the opportunity to work across our worldwide locations, leading global field organizations and delivering meaningful outcomes in the process. This allows participating employees to evolve into global talents and drive future business success.

**Learning Lounge and Learning Lab** Our Learning Lounge program supports employees with self-directed growth by providing an environment where employees set their future growth plan, receive recommendations on necessary learning solutions, and pursue self-initiated learning. Approximately 19,000 learning solutions are made available under this system, including online content relating to cross-functional competencies, to assist employees in becoming an agent of change and driving innovation. Specifically, the online training content available in the Learning Lounge is primarily accessible to all full-time employees (FTEs) by default. In addition, part-time employees and contractors are also granted ongoing access to a variety of content related to leadership, digital transition, cultural education, and other areas of job competency development. Meanwhile, our Learning Lab program helps employees voluntarily form learning groups to seek growth by making connections. Participants choose topics requiring competency enhancement, determine their learning schedule and methods, and engage in three-month Learning Lab activities to strengthen their skills, establishing a corporate culture of continuous learning. Such activities include research on emerging technologies or patent development among others.

Education Offered through Learning Lounge (as of the end of 2024)		(Unit: No. of courses)
Classification	Training Provided	
Company-wide, cross-functional training	Business strategy direction (1,507), Essential Job Competencies (1,680), How Hyundai Works (26)	
Organization-specific training	R&D (2,989), strategic technology/ICT (650), business-related (2,238)	
Leadership-related training	On-going training (1,146), formal training (1,090)	
Statutory training	Compliance/security (206), fire/safety and others (781)	

## H-SENSE Framework



**Leadership Training Program** To nurture talents who drive business performance, we implement a range of leadership training programs for our entire full-time workforce. Anyone who is not currently in leader roles may access our online learning system Learning Lounge to set their own goals and learn from motivational leadership content available year-round. We also provide mid-level manager leadership training to help employees newly-appointed to senior positions successfully transition into their roles as Player Coach within the organization. Employees newly assigned to leader roles are also supported with training courses designed to help them understand their new role and lead change accordingly. Group and team heads receive training to develop practical performance management skills covering goal setting, feedback, and evaluation, to ensure they generate performance alongside their members. These leaders are also invited to participate in the Leaders Learning Lab, a community of practice aimed at fostering insight sharing and future readiness among leaders. Top leaders engage in the Insight Forum and Global Insight to broaden their business perspectives. For employees assuming leader roles overseas, we offer training designed for expatriates and heads of global subsidiaries.

## Leadership Training Program

Type of Training	Topic	Target
Leadership-themed learning content available year-round	Providing online learning content designed to help employees set their own learning goals and motivate themselves	All employees
	Assisting middle managers in leveraging their expertise for cross-functional collaboration while supporting the growth of their junior employees	Employees promoted to senior positions
Leadership onboarding training	Helping understand one's new leader role and develop skills required for organizational operation	Newly-appointed team/group/division heads
	Providing phase-specific leadership training for performance management to support the growth of members (Performance goal setting, interim review, feedback, assessment interview, etc.)	Heads of team/group
Performance management training	Fostering insight and foresight to drive future business opportunities (Leader DX training, Leaders Learning Lab, Insight Forum, etc.)	Leaders in team leader or higher-level roles
Business insight and global competency enhancement training	Facilitating global communication and multi-cultural competency enhancement for overseas business conduct (Training for prospective expatriates and heads of global subsidiaries, global collaboration competency enhancement training)	Expatriates, heads of subsidiaries, and employees engaging in global collaboration



## Human Rights and Human Resources Management

**Degree and Certification Acquisition Support Programs for Enhanced Expertise** We support employees in taking leave to pursue academic degrees and enhance job expertise in the process. Employees who have been with the company for at least three years are eligible for up to two years of leave to earn full-time master’s degrees either in work-related fields or MBA programs. We also offer certification preparation training courses for acquiring qualifications essential for specific job roles and for preparing for the HDAT<sup>1)</sup> certification, which assesses data analysis (DA) and data-driven AI model (DS) competencies required in the evolving mobility industry, etc. The company covers the cost of these training programs.

As of 2024, 751 out of 1,550 employees who completed training designed to help personnel responsible for workplace health & safety to earn the occupational safety engineer certification successfully passed the final practical exam. We also provided seven certification preparation courses to technicians working at research centers, and 69 of them completed such courses and earned relevant certifications. Our DA and DS training courses for general and research staff were conducted in 12 sessions and completed by 397 employees. A total of 525 employees, including those who completed such courses, successfully earned their HDAT certification.

These systems and programs will enable our current employees to pursue job-related degrees and certifications all while maintaining their employment security, enhancing their personal career development and bolstering our competitive edge as a company.

1) HDAT(H-Data Analytics Test): A private certification exam designed to select and nurture talent with practical skills in data analysis and AI, open to any interested members of the public.

**Training to Internalize Sustainability** Hyundai is conducting sustainability awareness improvement training to integrate sustainability into the job responsibilities of our employees. In particular, we operate ESG education programs in the areas of human rights, safety, environment, and quality to enhance the management of our suppliers. Furthermore, we strive to internalize the concept of sustainability among our employees by providing specialized ESG training tailored to specific job roles. Through this approach, our aim is to build a sustainability mindset and strengthen the capabilities of sustainability management.

Sustainability Training Courses Provided (as of the end of 2024)						(Unit: No. of courses)
	Human Rights	Safety	Environment	Quality	Total	
No. of courses	22	1,581	1,042	1,053	3,698	

\* Keyword search results on the Learning Lounge platform

**Project-based Joint Research Programs** In collaboration with renowned research institutions at home and abroad, Hyundai is running a “project-based joint research” program. Through this program, we are strengthening AVP/R&D capabilities in future core technologies and address persistent issues in our products. The outcomes of these joint research efforts are then applied to our finished vehicles and advanced technologies. In addition, we have been organizing a variety of research dissemination seminars based on these research findings to foster technology internalization and enhancing their research and development capabilities.

### Results of Project-based Joint Research in 2024

Paper/patent/ academic journal/awards	Manual registration	Performance improvement and problem solving	Related technology development (collaborating with other functions)	Knowledge sharing (academic conferences, etc.)	Participation rate
24	5	10	12	17	100%

**Customer-centric Car Master Training Program** We operate training courses and provide year-round learning content to drive sustainable organizational growth and employee competency enhancement. Key training courses include on-the-job training for sales and service staff (Sales Academy, product training for new vehicles, customer service skills, etc.), general staff training (head of branch, job level-specific training, etc.), and support for global language skills enhancement, along with a variety of on-going learning content made available through our Learning Lounge. Specifically, we have established a service integration training system to help employees boost expertise (electrified vehicles, new technology), acquire basic product knowledge, and improve customer service skills (CRM), strengthening our service delivery across customer touchpoints. Such efforts resulted in improved customer satisfaction as demonstrated by the KCSI (Korean Customer Satisfaction Index) survey: not only did we rank first for 30 consecutive years in the passenger car category and 20 consecutive years in the RV category, but we also earned No.1 place in the light vehicle/EV categories.

### Results of the Car Master Training Program in 2024

(Unit: No. of persons, %)

	No. of Participants	Participation Rate
Regular Car Mater Course	1,468	100.0%
Subscription-type Streaming	4,217	99.4%
Total	5,685	99.6%

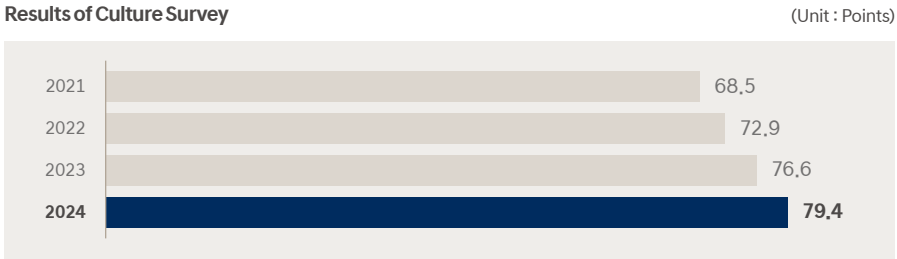
\* Based on domestic business sites

# Human Rights and Human Resources Management

## Great Workplace Culture

### Improving Workplace Culture

**Diagnosis of Organizational Culture**   Hyundai recognizes that high employee engagement is a significant factor that influences the company’s performance and individual talent development. We therefore conduct an annual diagnostic assessment to gauge the level of organizational culture among our employees. We leverage 66 assessment indicators to measure what our employees experience while interacting with colleagues and leaders within the organization. The results help us assess their level of satisfaction with ‘work/organization/company’ in line with the framework linking positive employee experience to organizational performance. In 2024, 81.1% of our entire workforce including those in general, research, and legal positions participated in the organizational culture assessment. The results will guide our on-going efforts to improve employee engagement and satisfaction.



### Corporate Culture Activities and Programs

**Accelerating Innovation and Change by Division and Strengthening Communication with Employees**   We pursue corporate culture innovation at the division level by taking both top-down and bottom-up approaches, driven by leaders and employee engagement respectively. Management workshops serve to delve into the future direction of our corporate culture, and leaders of each division facilitate collaborative working practices alongside change and innovation personnel designated at respective divisions. These change and innovation personnel keep monitoring corporate culture issues and implement solutions informed by the Voice of Employees (VoE), driving change in our day-to-day routines. In 2024, change and innovation personnel were appointed and deployed at global subsidiaries, rolling out our distinctive corporate culture across global operations. In tandem with this, Townhall Meetings enabled free-flowing communication between management and employees and People & Story allowed employees to directly share their roles and work-related know-how, empowering them to drive change in an equitable and proactive manner.

**The way we work Hyundai Way**   In 2024, Hyundai launched the Hyundai Way to define its unique work methods throughout its global operations, pursuing change management at all levels of the company. Anchored on the five core values of Hyundai Motor Group, the Hyundai Way comprises 10 work methods identified by gathering feedback from our entire global workforce. The Hyundai Way is deeply weaved into the fabric of the wide-ranging systems that we implement by aligning it with our HR systems (recruitment, development, evaluation, assessment, rewards) and launching the ‘Hyundai Icon’ as an on-going reward program, establishing an engaging corporate culture for employees.

**Flexible Work Arrangements**   We adopted hybrid work arrangements to encourage employees to truly engage in their work rather than being simply bound by their physical office space and perform their work voluntarily. The ‘H-Work Station’ serves as our hub office allowing employees to choose their preferred workspace, improving both job satisfaction and work efficiency. This shift mirrors Hyundai’s future-driven corporate culture.

**Hyundai Idea Contest**   The Hyundai Idea Contest is our idea sharing platform widely open year-round to all Hyundai employees. Employees may propose ideas at any given time without distinction between technology and non-technology. In 2024, 3,649 ideas were submitted, out of which 2,291 were from Korea and 1,358 from employees working at overseas operations. We are leveraging the Hyundai Idea Contest as a meaningful lever to encourage employees to voice their ideas and pursue innovation in Korea and beyond. A total of 27 submissions received the Hyundai Award, and three of them were honored with the Hyundai Motor Group Award. Some of the winning ideas are brought to life through detailed implementation plans following proactive review by working-level employees.

**Promoting Mental Wellness for Employees and Their Families**   To fully support our employees in leading a healthy professional life while taking care of families, we partnered with the ‘Oh Eunyoung Academy’ to offer one-on-one counseling, assessments, coaching, and testing in the areas of parenting, couple relationships, and family dynamics. This program, up and running since 2023, provides practical solutions relieving employees’ psychological challenges and has been highly valued by our employees, receiving high satisfaction ratings. Going forward, we will continue with our efforts to support employees in caring for their families and their own mental well-being .

### Guarantee of Freedom of Association and the Right to Collective Bargaining

**Labor Union Communication in Korea**   Hyundai ensures that employees’ fundamental rights under the Korean Constitution, including the rights to organize, engage in collective bargaining, and take collective action, are upheld. Additionally, it maintains both a collective bargaining council and a labor-management council. We conduct regular labor-management negotiations each year to engage in sincere dialogue on the improvement of wages and labor conditions, and renew the collective bargaining agreement every two years based on the decisions made through collective bargaining, wage negotiations (supplemental negotiations), and labor-management councils (including consultations made by sector, business unit, and region). In addition, for workers not covered by a collective bargaining agreement, the contents of the collective bargaining agreement are applied equally to similar workers in accordance with Article 35 (General Binding Force) of the Trade Union and Labor Relations Adjustment Act. Separate employment rules are applied to some workers, such as executives, and are operated in compliance with the procedure for changing employment rules under the Labor Standards Act.

In 2024, Hyundai established the 6th Advisory Council for the Job Stability Committee, consisting of a total of five experts. With the acceleration of changes in the future mobility industry, such as electrification, and increasing internal and external uncertainties, the 6th Advisory Council sought solutions for employment issues, forward-looking revisions to the wage structure, and strategies for overcoming internal and external risks. The Council also played a role as mediator in resolving differences of opinion between labor and management.

**Labor Union Communication Overseas**   Among Hyundai’s overseas subsidiaries, unions have been established in Hyundai Motor Manufacturing Czech (HMMC), Hyundai Motor Central & South America (HMCSA), and Hyundai Motor India (HMI). Overseas subsidiaries in China have established the Chinese Trade Unions, a worker representative organization. Subsidiaries with established labor unions engage in collective bargaining with labor unions in accordance with local labor relations laws and regulations. We conduct both scheduled and ad hoc meetings to understand employees’ desired working conditions and welfare systems. Utilizing this information, we strive to reach agreements from a perspective that is mutually beneficial and satisfies both labor and management. While labor unions are not established in subsidiaries located in the U.S., Türkiye, and Indonesia, we actively engage in direct communication with our employees to listen to their voices and address their concerns. At unionized worksites like those in the Czech Republic, Brazil (Central & South America), and India, when a collective bargaining agreement is reached, its effects extend to non-members through a mechanism akin to the general binding force of a collective agreement. However, the bargaining method differs depending on the country, especially in Brazil, where bargaining is conducted by industry. In other workplaces where no separate union exists, collective bargaining and agreement procedures are not conducted, but the subsidiary itself operates employee councils or appoints employee representatives to improve welfare benefits and other working conditions (excluding wages). In particular, we strive to improve the working conditions of employees in light of inflation and price increases.

Moreover, at the Headquarters level, surveys and interviews are conducted among executives and employees of overseas production subsidiaries on a biennial basis, and based on the results, improvement activities are conducted to enhance employees’ satisfaction, trust, and pride in the company. Each overseas subsidiary is making efforts to preemptively resolve employees’ grievances and requests by individually holding regular meetings between employees and management, operating grievance counseling centers, and touring the field sites. While there were instances where collective bargaining resulted in production disruptions as labor unions exercised their right to collective action, including strikes, as a means to resolve disagreements between labor and management, our labor relations have since evolved to establish a mature practice of solving problems through dialogue and negotiation.

**Joint Labor-Management Efforts to Navigate the Evolving Future Landscape**   To ensure labor and management join hands in navigating the transformation of the automotive industry, we launched the Future Change Response Task Force and the Job Stability Committee to engage in relevant consultations. Joint efforts are on-going to set a clear path forward for the automotive industry, including making investments in Korea and sharpening the company’s competitive edge to cater to the evolving future automotive industry. At Hyundai, labor and management also work with parts suppliers to pursue mutual benefits by reducing GHG emissions to promote environmental sustainability in the upcoming years, along with continuous trainings and campaigns aimed at fostering global corporate citizenship befitting our status as a global automotive player.



# Human Rights and Human Resources Management

## Fair Compensation and Employee Benefits

### Renumeration System

In addition to variable pay linked to individual performance, we also provide bonuses tied to the company's business results in various forms.

**Performance-based Compensation** We provide variable pay aligned with performance assessment results, and adjust pay raises considering internal/external economic conditions, market situations, and business performance. We do not allow for any unreasonable discrimination among employees in setting and increasing base salaries. Throughout our global sites, employees are regularly paid above the legal minimum wage on designated pay dates. Variable pay is determined fairly based on job performance for all employees. In addition to variable pay tied to one's performance evaluation, surplus profits generated from our business performance are distributed to all employees each year, motivating them towards organizational growth.

**Employee Stock Ownership Plan** Hyundai has implemented an employee stock ownership plan (ESOP) to enhance employee motivation, job engagement, and alignment of business objectives with personal values. As part of this plan, a portion of the variable pay is provided to employees in the form of company stock. In 2024, a total of 1,756,639 shares were subscribed, comprising 1,510,345 employer-contributed shares and 246,294 employee-purchased shares. A total of 6,082,777 shares have been distributed through the ESOP to date, and 5,394,300 shares were held under the plan as of the end of 2024 (2.58% ownership). All our full-time employees, who account for about 90% of the total workforce, are eligible for both the ESOP and the employee stock repurchase plan.

Category		2023	2024
New Contributions	Company Contributions	980,120	1,510,345
	Individual Contributions	318,318	246,294
Total		1,298,438	1,756,639
No. of Employee-owned Shares (ownership)		3,987,894 (1.86%)	5,394,300 (2.58%)

### Employee Welfare Benefits System

**Tailored Employee Benefits Programs** We operate a wide array of benefits programs that go beyond wage-based compensation, providing non-compensation benefits to ensure all our employees maintain a fulfilling professional life all while striking the right work-life balance. For family events from employees' wedding and childbirth to the passing of family members, we provide financial assistance, special leave, and funeral services. In consideration of years of employment and individual circumstances, our employees are eligible to benefits regarding tuition support for children, discounts on vehicle purchases and maintenance, and in-house daycare services. All our employees receive welfare points each year, which can be redeemed across the employee-only online shopping mall and an expanding network of offline partner franchise, to tailor benefits to their personal lifestyle needs.

**Selective Working Hours System** Hyundai implements a selective working hours system that allows employees to choose their own most efficient working hours, taking into consideration the nature of their work. This flexible system applies to certain job positions, allowing employees to select their own start and end times for work within the available time slots, excluding mandatory working hours. We also operate a flexible work system that allows domestic employees to work overtime during peak business periods and only the mandatory hours during quieter periods, provided that they meet the set total of work hours per month. By enabling employees to determine their own efficient work hours through the flexible working-hours system, Hyundai aims to enhance employee engagement and support performance outcomes.

**Income Loss Protection for Employees** To compensate for wage losses experienced by employees who are not able to work due to occupational injuries, we provide additional support beyond the compensation guaranteed under the Industrial Accident Compensation Insurance Act. As per the collective agreement, we offer not only the legally mandated wage replacement benefits during periods of leave for occupational injuries, but also supplementary income support. In the event that employees who took a leave of absence due to occupational injuries return to work with disabilities, we provide additional compensation proportional to the severity of the injury in addition to the disability benefits guaranteed under the Act.

### Retiree Support Program

**Retirement Pension System** Hyundai is implementing a retirement pension scheme for all its employees to enable employees who are eligible for retirement to prepare for life after retirement and old age. The retirement pension is protected by the external accumulation of retirement pension reserves, and education on the relevant products is provided to subscribers to create a stable foundation for employees after their retirement.

### Retirement Pension Assets under Management (Unit: KRW million)

Classification	As of 2023 year-end	As of 2024 year-end
Insurance products	5,995,760	6,116,520
Others	1,968	1,395
Total	5,997,728	6,117,915

**Pre-Retirement Training** Hyundai operates various programs to support employees with their post-retirement planning. Under these programs, we provided on/offline training and specialized consulting to 5,834 employees by age group and function.

### Operational Results of Future Planning Programs Provided to Retiring Employees in 2024

Class.	Manager			
Course	Future Planning 60	Special Lecture on Career Transition	Future Planning 59	Future Planning 58
Target	60 years old	60 years old	59 years old	58 years old
Completed by	1,282 persons	1,782 persons	732 persons	778 persons
Topic	Preparing life/career design plans aligned with one's life career	Guidance on retirement including pension options to support employees in designing one's post-retirement life	External hands-on courses for start-up/career creation (baking and pastry, barista, rural life)	Personal relationships/financial management

Class.	Senior Manager	
Course	Basic future planning course	Specialized future planning course
Target	59 years old	60 years old
Completed by	408 persons	431 persons
Topic	• Developing positive perceptions on retirement and exploring career options to plan one's post-retirement life - Lecture: Wealth management/licenses - Consulting: Career/finance	• Acquiring key information for career transition after retirement and developing specific action plans - Lecture: Wealth management/administrative management - Consulting: Re-employment/start-up/social contribution/returning to farming and rural living

Class.	Car Master	
Course	Future Planning 59	Future Planning 60
Target	59 years old	60 years old
Completed by	271 persons	150 persons
Format	Online training (4 hours)	Online and offline training (16 hours)
Topic	• Supporting post-retirement life planning covering change management, financial planning, career exploration and expansion, and re-employment	

# Human Rights and Human Resources Management

## Diversity and Inclusion

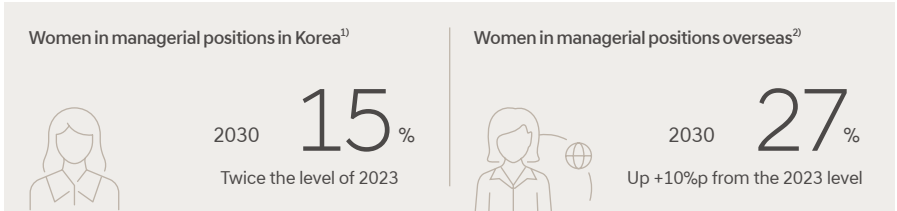
### Diversity at Hyundai

We firmly believe in the value of collaboration among employees with diverse backgrounds and experiences, ‘Diversity and inclusion’ is one of the key pillars of the Hyundai Way which defines how we work at Hyundai, and we strive to embed this value across our global workforce. Our corporate culture assessment survey also includes ‘awareness of leaders on respecting diversity’ to foster an organizational culture prioritizing diversity and inclusion. Greater diversity enhances organizational capabilities, driving forward new ideas and innovations. This is precisely why we are committed to advancing inclusion throughout our global operations by taking into account the distinctive characteristics of each site. This goes beyond merely making statements of the values that we aspire to achieve: it is echoed in the specific actions we take, from improving systems and working conditions to respect and support minorities and socially-underserved groups to building employee consensus and conducting training, along with listening to and monitoring employee feedback.

### Gender

We encourage more women to grow into leaders contributing to making key decisions while supporting their work-life balance and striving to eliminate biases and discrimination so that they stay on track to developing their career regardless of gender. To further promote gender diversity, we have set targets for increasing the ratio of women in managerial positions in Korea and overseas, and are working in various ways to achieve these targets.

### Target | Ratio of women in managerial positions worldwide



1) Including general, R&D and special duty staff at the senior manager level or above, as well as executives (excluding advisors).  
2) Positions managing an organization's general operations and taking responsibility for or leading independent tasks/projects at times as well as higher-level positions

**Fostering an Inclusive Culture** While the automotive industry has traditionally been disproportionately male-dominated, the number of female employees at Hyundai has been steadily on the rise, bringing their diverse perspectives to enrich our business practices. We are fully committed to providing an inclusive corporate culture where women employees feel valued and supported despite being relatively underrepresented. To this end, we promote a range of diversity initiatives in Korea and globally and work to drive a shift in awareness among employees.

Key Initiatives	
• In 2025, a variety of communication campaigns and events were hosted in celebration of International Women's Day at the headquarters in Korea and global subsidiaries disseminating a culture of gender diversity and inclusion.	
Subsidiary	Key Activity
Headquarter in Korea	• Arranged networking opportunities for women leaders
Hyundai Motor Sports Gmbh	• Hosted a seminar to share ideas on the topic of ‘enhancing women's capacity within the motorsports industry'
Hyundai Motor Company Australia	• Will engage in regular ERG activities (We Are Women in Automotive, WIA) three times a year, beginning with sponsorship for the Australia's largest gender equality forum
Hyundai Motor India Engineering	• Held an art-themed workshop giving motivational lectures and presenting the vision for Hyundai women
Hyundai Motor Central & South America Regional Headquarter	• Launched the ‘Hyundai Golden Women’ campaign to depict women employees doing their utmost in their own field
Hyundai Motor North America Regional Headquarter	• Supported the ERG initiative (Women@Hyundai-ERG) for women employees and provided lectures by women leaders
Hyundai Motor Manufacturing Alabama	• Launched the 'Women's Spotlight campaign relaying the stories of women employees recommended by their colleagues
Hyundai Motor Technology and Engineering Center (China)	• Arranged networking opportunities between women leaders and women employees
• In November 2024, we officially joined the UN Women's Empowerment Principles (WEPs). This initiative was launched by the UN Women and the UN Global Compact to promote gender equality and women's capacity-building, and Hyundai publicly endorses its principles.	

**Women-friendly Workplace** We provide a wide array of programs to assist women employees in balancing their career growth with family life while minimizing any career interruptions. In particular, we go beyond statutory requirements in supporting parental leave, reduced working hours during childrearing, and fertility leave, ensuring an inclusive workplace for employees during their pregnancy, childbirth, and parenting. Furthermore, we strictly prohibit any verbal/physical violence and harassment against women and apply the zero-tolerance principle when such incidents occur along with taking corrective action. In offering career development opportunities including promotions and appointments, our operational principles prioritize performance and competency so that gender does not become any limiting factor. Such efforts allowed us to see a consistent increase in the number of female employees, and maintain a highly stable retention rate with 98.5% of female employees returning to work after parental leave and 97.5% of them continuing to work as of 2024.

### • Support System for Maternity, Childcare, Family Care

Classifica-tion	Benefit	Description
Maternity	Reduced hours during pregnancy	• The daily working hours of employees in early pregnancy (within 12 weeks) or late pregnancy (beyond 32 weeks) are reduced by two hours. • The reduction can be taken either as 2 hours after the start of the working day, 2 hours before the end of the working day, or 1 hour after the start of the working day plus 1 hour before the end of the working day. (Reduced hours are made available throughout pregnancy for high-risk pregnancies)
	Maternity leave	• Providing a 90-day maternity leave to women employees before and after childbirth (120 days for multiple pregnancies, 100 days for premature births)
	Pregnancy loss leave	• Offering a leave whose period is determined by the pregnancy period in case of miscarriage or stillbirth
	Fertility leave and fertility treatment expense support	• Offering 6 days of fertility leave (5-day paid leave, daily basis) per year for fertility treatment • Providing actual cost support for employees and their spouse to receive fertility treatment
	Prenatal check-up	• Providing paid time off once every four weeks before the 28th week of pregnancy, once every two weeks between the 29th and 36th weeks, and once every week after the 37th week of pregnancy
	Child Happiness Travel	• Providing hotel lodgings and meals within six months before and two years after a childbirth to employees and their spouses, which includes up to two nights at hotels designated by the company
	Partner's leave	• Offering up to 20 days of partner's leave within 120 days of childbirth
Childcare	Parental leave	• Providing up to 2 years of leave of absence for each child under the age of 8 or in second grade and below to both male and female employees (can be split for up to 4 times) • Providing employees who have taken 2 years of parental leave and reduced hours during the childcare period with 1 additional year of reduced working hours during the childcare period
	Reduced hours during the childcare period	• Providing both male and women employees with up to 3 years of reduced hours during the childcare period per child to care for children aged 12 years old and younger or in grade 6 and below (can be split by 1 month) • Choose among 2 hours or 4 hours after the start of the working day / 2 hours or 4 hours before the end of the working day / 2 hours after the start of the working day + 2 hours before the end of the working day
	Childcare time	• Providing women employees with infants under 1 year old 120 minutes of paid breastfeeding time per day
	In-house daycare centers	• Operating a total of 7 childcare centers at the HQ, Gangnam, Seonneung, Ulsan/ Asan/Jeonju Plants, and Namyang R&D Center
	Preschool education expenses	• Supporting employees in paying education expenses for their children aged 4-5
	Parental benefit voucher	• Offering vouchers redeemable for essential supplies needed for childbirth or school enrollment
	Family care leave of absence	• Offering up to 90 days of family care leave per year to employees whose parents, children, spouses, or spouses' parents need care due to illness, accident, or old age
Family care	Family care leave	• Offering up to 10 days of leave when an employee's parents, children, spouse, or parents-in-law require emergency care due to illness, accident, old age or childcare needs
	Leave for spousal overseas assignment	• Offering up to 4 years of leave of absence, apart from parental leave, if one member of an in-house couple is assigned to an expatriate position and the accompanying family relocates within 12 months and continuously resides together for over 50% of the assignment period



# Human Rights and Human Resources Management

**Gender Pay Gap**   We make sure our employees receive equal pay for work of equal value regardless of gender. Compensation is determined based on individual work experience and performance, and we analyze gender pay disparities each year to monitor trends and identify underlying causes. In implementing HR systems, we conduct reviews to prevent structural wage gaps based on gender. We also provide leaders with gender equality training so that their decisions on performance assessments or promotions that affect employee compensation do not result in any unreasonable discrimination.

• **Female-to-Male Wage Ratio by Major Region**

• **Korea<sup>1)</sup>**   Women in manager positions are paid 8.7% more than men, while in the senior manager positions of G3 and G4, men are paid 5.4% and 3.6% more, respectively. The gender pay gap in these senior manager positions narrowed in 2024, declining by 1.4% in G3 and 6.8% in G4 compared to 2023. Although wage disparities between men and women exist due to differences in years of service and seniority, these gaps are on the steady decline each year both in manager and senior manager positions.

1) Based on general staff

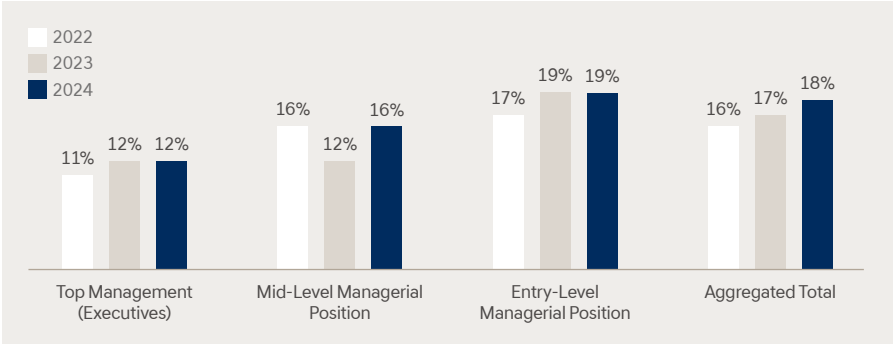
• **Overseas**   At Hyundai Motor North America Headquarters, our key business site, women in Grade 4-5 positions equivalent to manager positions in Korea earn 1.7% more than men. In Grade 6-9 positions comparable to managerial positions such as senior managers in Korea, men are paid 0.6% more than women. It is notable, however, that such disparities fell by 12% in 2024 compared to 2022. When compared at the position level, women earned 0.2% more in Grade 6, 1.4% more in Grade 7, and 2.1% more in Grade 8 than their male counterparts. In Grade 9, we reached gender parity with men and women receiving equal compensation.

**Global Workforce Trends for Women**   We have been steadily managing the ratio of women employees and women in managerial positions out of our total workforce including global subsidiaries. Both in Korea and globally, the ratio of women employees and women in managerial positions has been rising continuously. It is notable that the ratio of women in managerial positions increased at 42%<sup>2)</sup> of our global subsidiaries in 2024. The consistently growing ratio of women employees is attributable to our expanding business presence and the corresponding increase in our overseas workforce.

2) Compiled based on 56 subsidiaries for which year-on-year comparison between 2023 and 2024 was possible

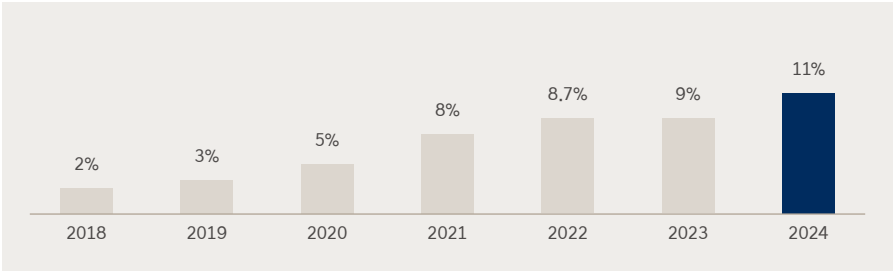
This testifies to the efforts made by our subsidiaries to enhance diversity, alongside the natural increase in the ratio of women employees. In fact, 10 out of 12 global subsidiaries that have established and implemented goals and qualitative programs to promote diversity have seen an increase the number of women employees. At the remaining two subsidiaries where the ratio of women employes remained unchanged, the ratio of women in managerial positions still increased overall. This demonstrates that quantitative improvements in ratio terms are made possible when consistent organizational efforts follow to increase the ratio of women employees. For instance, Hyundai Motor de Mexico established a talent acquisition policy ensuring that the applicant pipeline does not exclusively consist of men and set a target of reaching 40% women representation among employees. This target was successfully achieved in 2024.

• **Trends in the Ratio of Women in Managerial Positions Worldwide**



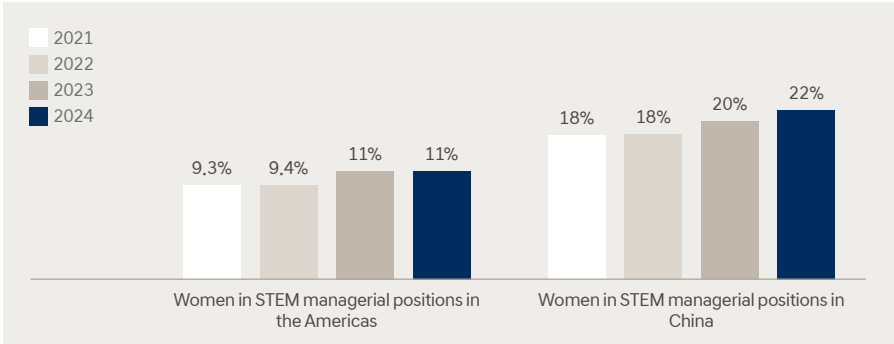
In Europe, the ratio of women executives has been on the rise for seven consecutive years, exceeding double digits in 2024. When compared based on women representation for the past two years, the Americas showed the highest growth of 9%p in the number of women employees. Meanwhile, India, Africa, and the Middle East saw the greatest increase of 4%p in the ratio of women in managerial positions. Likewise, women representation varies by region in terms of trends and characteristics, which underlines the need for nuanced approaches tailored to specific functions and positions, taking into account the unique organizational contexts of regional headquarters, production subsidiaries, and sales subsidiaries.

• **Trends in the Ratio of Women Executives in Europe**



In taking a disaggregated approach according to functions and positions, we recognized the need to promote gender balance in STEM, R&D, and production areas where women remain disproportionately underrepresented. Notably, the ratio of women in managerial positions in STEM roles has been rising consistently for the past four years (2021~2024) in the Americas and China regions. The Hyundai Motor India Engineering has also achieved a steady rise in the ratio of women in managerial positions in STEM fields over the past three years, thanks to its commitment to setting and achieving targets to advance women representation.

• **Trends in the Ratio of Women in STEM Managerial Positions**



In R&D functions, the ratio of female employees in R&D Employees has been increasing steadily over the past three years in Korea and at some global subsidiaries. A significant example is the Hyundai-Kia America Technical Center where female representation in R&D positions grew by 43% for the past two years, raising the overall ratio of female employees by 2%p.

Turning to Production Employees, Technicians and Mechanics<sup>3)</sup> at production subsidiaries, improvements in female representation have been less pronounced. Still yet, it is worth noting that production subsidiaries including Hyundai Truck & Bus (China) have seen increases in the ratio of female employees in production roles for the past two years. We remain committed to promoting greater women representation at other production subsidiaries as well.

3) Including office production management roles

Despite this sustained growth, we still have a long way to go as overall women representation remains in the 20% range at the majority of our global subsidiaries. Recent hiring data in Korea (as of 2024) reveals, however, that women accounted for 49% of G1 positions (regular employees only) at the Korean Headquarters, and women representation reached around 40% in G2 to G4 positions. Furthermore, the ratio of women executives in Korea has more than quadrupled over the past six years (2019~2024) while women comprise 43% of all independent directors, reflecting ongoing improvements in gender balance. Going forward, Hyundai remains firmly committed to advancing women representation across the board.

# Human Rights and Human Resources Management

SPOTLIGHT

## Gender Diversity Initiatives Undertaken at Global Subsidiaries

Hyundai Motor India Engineering(HMIE)

The Hyundai Motor India Engineering continued with employee communication on diversity and inclusion (D&I), and emphasized the value of D&I during the company-wide townhall meeting held for leaders in 2024. Such efforts helped establish and foster diversity mainly through the hiring of women employees. This not only resulted in overall growth in the number of women in R&D positions for the past two years, but also in increases in the ratio of women in STEM managerial positions for the past three years (2022-2024).

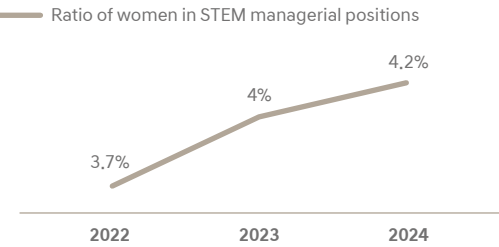
Target

- Increase the number of women in leadership groups by 2~4 people within 2~4 years
  - Achieve 20% women recruitment within 2~4 years
- \* 13% in 2024

Program

- Expand and promote women leadership through diversity-conscious recruitment strategies and structured internal promotion plans in 2025

Trends in the Ratio of Women in STEM Managerial Positions at HMIE



Hyundai Motor France(HMF)

Hyundai Motor France has set targets and are operating programs to pursue gender balance, and has seen increases in the hiring of women employees and the ratio of women representation for the past three years (2022-2024). In tandem with this, the ratio of women employees has been on the rise in office roles (35% → 40%) and in entry-level managerial positions (27% → 29%) for the recent two years, which is expected to increase further in the upcoming years.

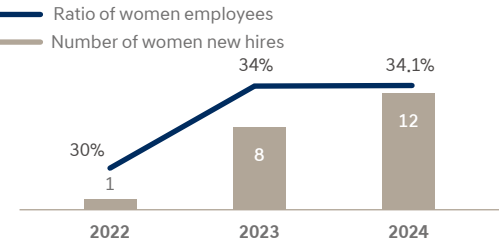
Target

- Manage the ratio and target of women representation using the female-to-male employee ratio index and the gender equality index
- Implement programs to maintain at least 50% women representation in leadership positions and at least 30% overall women representation

Program

- Increase women recruitment and enhance support for their development
- Provide women employees with targeted training opportunities relating to career development

Trends in the Ratio of Women Employees and Women New Hires at HMF



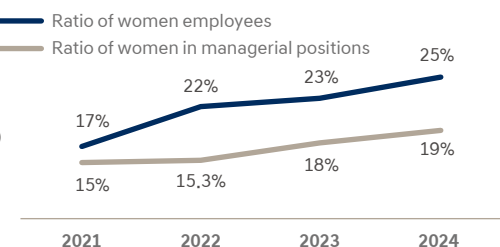
Hyundai Motor Central & South America Regional Headquarter(HMCSA RHQ)

Women representation rose both in terms of numbers and ratio for the past four years, reaching 25% in 2024. The ratio of women in managerial positions also increased in line with overall women employees, with growth observed in both mid and entry level managerial positions. Considering that production employees, technicians and mechanics comprise a large portion of total workforce at HMCSA RHQ, an around 3%p increase in women representation in those roles over the past two years is particularly significant.

Programs/Systems

- Women leadership program
  - Host International Women's Day events along with women leaders, and provide H-Mentoring in conjunction with women leaders in respective fields
- Assess internal D&I and improve relevant initiatives
  - Conducted internal diversity assessments for the past two years in a row, and have focused on improving diversity initiatives since 2024 (inclusive working environment, etc.)
- Provide childbirth/childcare-related benefits
  - Provide comprehensive childbirth/childcare benefits including allowances for childcare services and pregnancy check-ups

Trends in the Ratio of Women Employees and Women in Managerial Positions at HMCSA RHQ



Hyundai Motor Türkiye Otomotiv A.Ş.(HMTR)

Hyundai Assan Otomotive Sanayi is implementing targets and programs to increase the ratio of women workforce, and has seen increases in the ratio of women new hires and employees for the past three years (2022-2024).

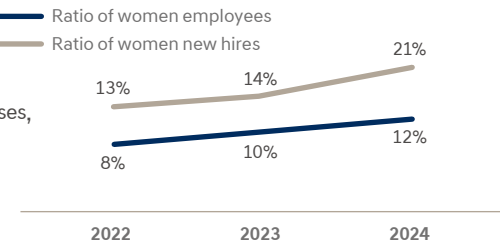
Target

- Achieve 15% women representation in 2025
- \* 12% in 2024

Program

- Establish an inclusive recruitment plan in 2025
- Provide recruitment personnel and managerial positions with training on unconscious biases, develop competency-based interview questions to avoid private questions, and revise language used for recruitment notices to be inclusive of all genders

Trends in the Ratio of Women Employees and Women New Hires at HMTR

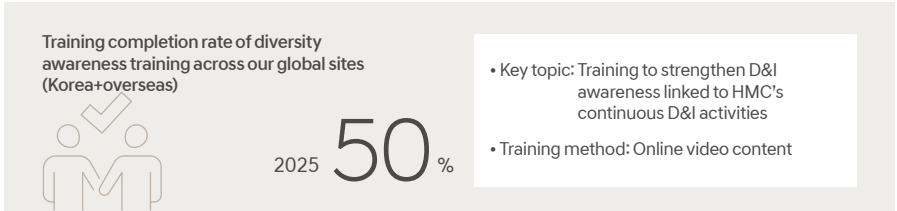


# Human Rights and Human Resources Management

## Cultural Diversity

We uncover new values by embracing the varying cultures, nations, ideas, and experiences of our members, and explore ways to enhance collaboration across our global workforce. In 2025, D&I training courses will be developed and provided to our employees throughout our global sites

### Goal | Training completion rate of diversity awareness training across our global sites



**Expanding Global Exchange** Across our global sites, employees from diverse nationalities and cultural backgrounds work together. We make sure that they collaborate as part of a Global One Company and have access to a wide range of opportunities to expand their careers and pursue growth.

Key Initiatives
<ul style="list-style-type: none"><li>• We continuously enhance the system (Global Mobility Framework) for expanding talent mobility across all sites, providing employees with a variety of growth opportunities in global locations. To ensure that employees with rich experience can work flexibly at global sites, we offer a range of talent mobility opportunities beyond project participation, including workforce development initiatives.</li><li>• Through technical support trips and assignments, experienced employees from the headquarters collaborate with global subsidiaries during crucial events such as new product launches, installation of production facilities, and customer events.</li></ul>

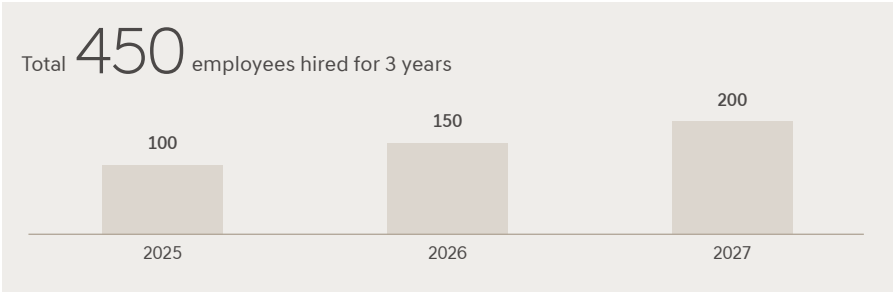
**Global Talent Hub** Hyundai Motor Company's headquarters located in Korea serves as the hub for our cross-border talent exchange, and we are fully committed to embracing global talents from diverse backgrounds. To this end, we provide employee training on cultural diversity and continuously heed the voice of foreign national employees, making progress towards an inclusive corporate culture and work environment.

Key Initiatives
<ul style="list-style-type: none"><li>• We provide major internal announcements and training materials in English to narrow the information gap for non-Korean speakers, and are enhancing key employee websites to extend the scope of services available in English.</li><li>• We have launched separate onboarding programs in 2025 to support foreign employees in better adapting to life and culture in Korea. We also operate a dedicated support organization for foreign new hires working in Korea, providing assistance with daily needs from housing contracts to 24/7 everyday life support services, to ensure their seamless transition.</li><li>• We implement dedicated internship programs to recruit new hires from diverse countries, and proactively seek out overseas talents with outstanding career experience. Notably, the number of foreign new employees hired through our global internship programs more than doubled in 2024 compared to 2023.</li><li>• In the first half of 2025, we launched a new education program aimed at fostering a D&amp;I mindset for employees across our global business sites. In the second half of the year, we plan to provide additional training to further strengthen awareness of D&amp;I, in connection with HMC's continuous D&amp;I initiatives.</li><li>• In 2025, we launched campaigns highlighting the value of diversity and inclusion through the stories shared by our foreign employees in celebration of Together Day (May 20th).</li></ul>

## Disability

We are committed to proactively employing individuals with disabilities in roles that match their competencies and to fostering a work environment enabling them to unleash their potential as a self-reliant member of the company. Embodying our firm commitment to expanding employment opportunities for these talented yet challenged individuals, we have set a three-year goal for employing people with disabilities in Korea, and are progressing towards this goal through various initiatives.

### Goal | Recruitment of People with Disabilities (Korea)



**Expanding the Recruitment of People with Disabilities** In 2025, we launched a dedicated hiring process to expand the direct employment of people with disabilities. To support this, we identified roles suitable for people with disabilities in partnership with the Korea Employment Agency for Persons with Disabilities (KEAD), and piloted this approach by establishing a tailored recruitment process. Incorporating the necessary improvements identified from this pilot, we will continue expanding the scale of recruitment and the scope of roles available for people with disabilities. To facilitate their smooth onboarding following hiring, we plan to provide training and upgrade the workplace environment.

Key Initiatives
<ul style="list-style-type: none"><li>• In March 2025, we newly conducted a special recruitment for people with disabilities, expanding the scale and roles by introducing a tailored hiring process and considering job characteristics and working environments.</li><li>• In April 2025, we signed an “MoU for Employment Promotion for the Disabled” with the Korea Employment Agency Persons with Disabilities, establishing a mutual cooperation system to continuously expand employment and ensure job security for people with disabilities.</li></ul>

**Awareness-Raising on Disability** Not only do we promote the quantitative representation of employees with disabilities and provide a working environment empowering them to unlock their potential, but we also work to foster a culture of collaboration and raise awareness among employees for individuals with disabilities. We will continue monitoring progress made in disability awareness among employees.

Key Initiatives
<ul style="list-style-type: none"><li>• In 2025, we moved beyond statutory training aimed at raising awareness on disability to launching campaigns that engage employees to enhance their awareness on people with disabilities in celebration of Disabled Person's Day (April 20th).</li></ul>



# Human Rights and Human Resources Management

## SPOTLIGHT

### ERG Initiatives by Global Subsidiaries

#### Employee Resource Groups

Hyundai believes that sharing common interests and promoting cultural exchange among employees from diverse backgrounds are meaningful contributors to fostering a leading organizational culture. Therefore, we at Hyundai support Employee Resource Groups (ERGs) where employees with shared interests, including gender, culture, age, and hometown, can communicate and connect. Through the ERG program, we provide career development opportunities at the individual and team levels, cultural-based mentoring, and engagement in external activities such as community involvement. Hyundai hopes that these initiatives will not only have a positive impact within the company but also extend to the local community, spreading positive influence.



#### ERG Initiatives by Hyundai Motor North America Regional Headquarter

Initiative	Target	Key Activities
Women @ Hyundai	Women employees	<ul style="list-style-type: none"><li>• Create an inclusive environment that grants independence to women employees, customers, and employees of partner companies</li><li>• Implement mentoring programs and women-supporting activities aimed at career development from the perspective of women employees</li></ul>
Hyundai @ Soul	African American employees	<ul style="list-style-type: none"><li>• Discuss how to enhance the Hyundai brand image as an employer within the African American community</li><li>• Provide a variety of support to improve cultural competency of Hyundai management</li></ul>
HANA (Hyundai Asian Network Alliance)	Asian employees	<ul style="list-style-type: none"><li>• Develop strategies utilizing the characteristics and perspectives of Asian culture, and explore opportunities for leveraging technology and networks</li><li>• Provide support for corporate promotions and community events</li></ul>
Amigos Unidos	Hispanic and Latin American employees	<ul style="list-style-type: none"><li>• Present innovative management ideas using the cultural intelligence of the Latino community</li><li>• Present ideas for Hyundai’s future direction from the perspective of Latino employees</li></ul>
Young Leaders	Millennials employees	<ul style="list-style-type: none"><li>• Think about a variety of ideas, solutions, and improvements using the strengths of the millennial generation</li><li>• Conduct a mentoring program for individual employee development and self-development</li></ul>
Equality	LGBTQ+ employees	<ul style="list-style-type: none"><li>• Provide training, career development, networking, and workplace collaboration opportunities for LGBTQ employeesLGBTQ+</li><li>• Share ideas to raise awareness of Hyundai's brand within the LGBTQ community</li></ul>
Hyundai CARES	Disabled employees	<ul style="list-style-type: none"><li>• Improve the work life of the disabled and raise positive awareness of disability</li><li>• Support employees with congenital or acquired disabilities, middle-aged employees with disabilities due to aging, etc.</li></ul>
Stars & Stripes	Veteran employees	<ul style="list-style-type: none"><li>• Implement a forum gathering together Hyundai employees, their spouses, their families, and supporters of U.S. Army veterans</li><li>• Provide a safe and inclusive space where one can feel a sense of belonging</li></ul>

#### ERG Initiatives by Hyundai Auto Canada

Initiative	Target	Key Activities
Women @ HAC	Women employees	<ul style="list-style-type: none"><li>• Provide women employees with broader career opportunities and developmental support within the automotive industry through industry-academia partnerships and mentoring</li><li>• Attend regular speaker sessions and conferences, engage in charity and volunteer initiatives to give back to society</li></ul>
Inclusion @ HAC	Social monitory employees (multi-racial/ cultural, LGBTQ+, etc.)	<ul style="list-style-type: none"><li>• Host a series of speaker sessions covering various areas and topics</li><li>• Host inclusion-themed lunch events as well as events celebrating a variety of cultural and religious occasions</li></ul>
Parents @ HAC	Employees with children	<ul style="list-style-type: none"><li>• Facilitate community-level communication embracing all types of family arrangements concerning parenting, parental care, returning to work after maternal/parental leave</li><li>• Arrange speaker sessions led by employees and partner with other companies</li></ul>

#### ERG Initiatives by Boston Dynamics

Initiative	Target	Key Activities
Boston Dynamics Women's Alliance Group (WAG)	Women employees	<ul style="list-style-type: none"><li>• Discuss and learn about women and allies through peer mentoring and group debates</li><li>• Celebrate International Women's Day and Women's History Month</li><li>• Host weekly networking meetings</li></ul>
Boston Dynamics Young Professional Group (BDYP)	Junior employees	<ul style="list-style-type: none"><li>• Arrange a series of mentoring sessions inviting diverse leaders to hear and learn from their journey, advice, and lessons</li><li>• Implement networking activities and events to enhance employee engagement</li></ul>
Boston Dynamics Pride Group (Pride)	LGBTQ+ employees	<ul style="list-style-type: none"><li>• Host weekly networking meetings</li><li>• Celebrate Pride Month</li><li>• Conduct citizenship training aligned with the history of Pride and interview Stonewall activists</li></ul>
Boston Dinámicos	Hispanic/Latino employees	<ul style="list-style-type: none"><li>• Celebrate National Hispanic Heritage Month</li></ul>

#### ERG Initiatives by Hyundai Motor Central & South America Regional Headquarter

Initiative	Target	Key Activities
Grupo Conexão	Employees from multiple generations	<ul style="list-style-type: none"><li>• Promote cross-generational knowledge exchange and understanding (explore diverse cross-generational perspectives through roundtable discussions, identify growth opportunities, and leverage one's unique strengths)</li></ul>
Grupo SOMOS	LGBTQ+ employees	<ul style="list-style-type: none"><li>• Lead constructive discussions on key issues relating to the LGBTQ+ community</li><li>• Provide psychological, community-based support to LGBTQ+ employees to build a network of solidarity</li></ul>
Grupo Ascendência	Multi-racial employees	<ul style="list-style-type: none"><li>• Arrange lectures and trainings focused on racial diversity, equity and inclusion</li><li>• Pursue initiatives fostering empathy and respect for racial diversity</li></ul>
Grupo Empodera	Women employees	<ul style="list-style-type: none"><li>• Develop training and mentoring programs facilitating the professional growth of women employees</li><li>• Support women empowerment-related initiatives, including internal/ external campaigns aimed at strengthening the company's brand as an employer</li></ul>
Grupo Habiliverso	Employees with disabilities	<ul style="list-style-type: none"><li>•Discover and suggest solutions enhancing accessibility and inclusion for employees with disabilities</li><li>•Conduct in-depth interviews with all employees with disabilities, gain experience-based insights for improvement</li></ul>

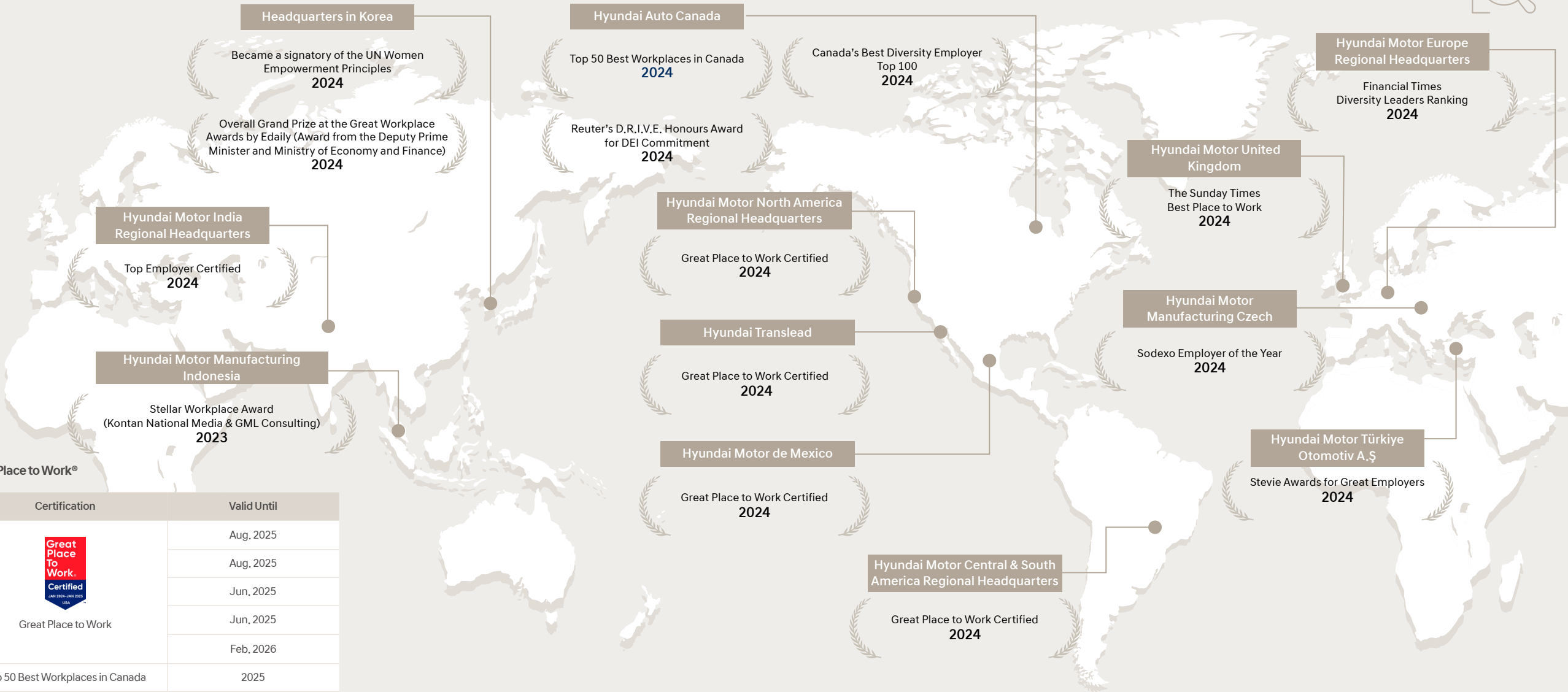
#### ERG Initiatives by Hyundai Motor Company Australia

Initiative	Target	Key Activities
We Are (Women in Automotive)	Women employees	<ul style="list-style-type: none"><li>• Attend and support future women leadership summit</li><li>• Invite influential speakers with expertise on women’s leadership in the workplace and pursue relevant networking activities</li></ul>

# Human Rights and Human Resources Management

SPOTLIGHT

## Support for External Initiatives and Awards/Certifications



Global Subsidiaries Certified to Great Place to Work®

Subsidiary	Certification	Valid Until
Hyundai Motor North America Regional Headquarters	 Great Place to Work	Aug. 2025
Hyundai Motor de Mexico		Aug. 2025
Hyundai Translead		Jun. 2025
Hyundai Motor Central & South America Regional Headquarters		Jun. 2025
Hyundai Motor Company Australia		Feb. 2026
Hyundai Auto Canada	Top 50 Best Workplaces in Canada	2025

# Health and Safety

Hyundai places the highest value on the life and safety of all its employees and other stakeholders, thereby promoting activities aimed at enhancing health and safety based on firm principles and standards of health and safety. We have established a company-wide health and safety system in order to comply with the relevant laws and regulations, while identifying and improving hazards and risk factors so as to promote our employees' health and enhance their working environments. We are also making active investments in human and material resources to implement our mid-to long-term roadmap, thereby achieving key performance objectives. Moreover, we will contribute to spreading a culture of health and safety built upon participation and communication by sharing our progress and implementation status with all of our stakeholders including employees.

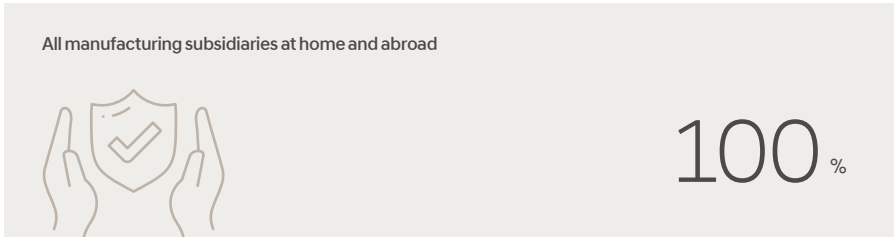
## Strengthening Health and Safety Leadership

### Health and Safety System

**Establishment of Health and Safety Governance**    The Board of Directors is briefed on the annual operation of our health and safety system including its goals, implementation targets, and progress status, and grants approval accordingly while our President and other members of top management review and oversee relevant monthly performance and key outcomes. The Chief Safety Officer, who also serves as President, is responsible for implementing overall health and safety governance, and the company-wide health and safety organization operates directly under the leadership of the Presidents. Under the oversight of the Chief Safety Officer, health and safety supervisors at respective sites set priorities and implementation plans for health and safety management while regularly holding meetings attended by health and safety managers and employees at company-wide or site levels to identify and share health and safety risks and discuss necessary improvements. With the help of third-party occupational health and safety experts, we review the health and safety practices of our business sites, assess the likelihood of relevant incidents, and participate in post-incident investigations. Employees, from senior management to leaders and field managers who are responsible for health and safety, are assigned KPIs on health and safety management and are assessed for their progress towards achieving the set goals.

**Introduction of the Health and Safety Management System**    All our domestic and international sites have implemented a health and safety management system that includes the establishment of implementation plans, the identification and improvement of hazardous and risky factors, the evaluation of health and safety performance, and the development of improvement measures based on an activity analysis. While our business sites previously pursued health and safety certifications individually, we have transitioned into a company-wide, integrated certification system and unified relevant work procedures and health and safety regulations in 2024, further enhancing our safety management performance through such standardization efforts. Each production plant is working to achieve third-party certification of its health and safety management system, taking into account applicable laws and regulations and market conditions. We also encourage and support suppliers to establish a health and safety management system so that they could build independent health and safety capabilities.

### Health and Safety Management System (ISO 45001)-Certified Workplace



**Labor and Management Jointly Conducting Regular Inspections for Workplace Safety**    The joint labor-management declaration announced in 2023 specifies that labor and management will work together to establish a corporate culture putting workplace safety first and advance robust safety management through proactive investment and hiring of additional professionals. In this vein, all departments observe ‘Workplace Safety Day’ to prevent high-consequence incidents by addressing shopfloor risk factors and ensuring regulatory compliance. This involves safety inspections conducted under the oversight of division and group heads as well as field-driven safety management supported by the participation of the head and members of the labor management occupational safety subcommittee and employee interviews. Risk factors identified via such inspections are mitigated through immediate corrective actions and supplementary work. In January 2025, 34 improvements were made including the installation of safety handrails, and supplementary investments will follow to continuously improve on risk factors uncovered across processes and facilities vulnerable to high-consequence incidents.

**Establishing a Musculoskeletal Disease Prevention and Management System**    We implement a musculoskeletal disease prevention and management program to prevent and systematically manage musculoskeletal disease. The Musculoskeletal Execution Committee comprising field staff at respective departments conducts joint labor-management inspections on shopfloor operations twice a month to interview high-risk employees and identify risk factors while convening each month to develop proactive prevention measures. To help members of the Committee with capacity building, over 32 hours of specialized training are provided per year to ensure more effective prevention and management.

**Occupational Health and Safety Committee**    Our Occupational Health and Safety Committee organized at each business site convenes quarterly to protect the health and safety of employees and provide the optimal working environment. Operated jointly by labor and management, the Committee deliberates and decides on key health and safety matters, including but not limited to developing occupational injury prevention plans, revising health and safety management regulations, conducting health and safety training, improving the working environment, promoting employee health management, preventing high-consequence incidents and their reoccurrence, managing occupational injury statistics, and taking safety measures in introducing hazardous/high-risk machines and facilities. To advance our health and safety performance at all levels, the Committee holds integrated annual meetings to discuss health and safety policies and explore possible improvements.

**Safety Vision Strategy Roadmap**    In December 2022, Hyundai conducted an in-depth diagnosis of the safety management system at its business sites, with the participation of safety experts engaged in research and consultation, and carried out a survey of global best practices. Based on the results, we developed a safety vision and strategy roadmap comprising a development plan for the safety management system.

Besides, we are progressing on priorities selected through in-depth occupational safety assessments in a phased-in manner, including safety culture, labor relations, safety training, safety budget, and risk assessment. Out of these, risk assessment was identified as the highest priority in need of improvement, and we have adopted risk assessment methods since 2023 to address safety blind spots, establishing a self-directed prevention system based on risk assessment that caters to our distinctive characteristics. This will guide our efforts to continuously advance our management system, reinforcing our reputation as a world top-tier company prioritizing safety across the entire organization.

### Directions of Safety Vision

Establishment of a safety culture	Establish Hyundai’s unique safety culture by realizing safety-first core values and developing it into a “Just Safety Culture” as an advanced company
Advancement of safety training	Advance the specialized training programs to raise the safety awareness of employees and strengthen their risk awareness capabilities in order to strengthen safety education beyond the level required by laws and regulations
Leap towards the Global Best	Establish future strategic tasks centered on the headquarters to expand global safety governance, and actively promote a pilot introduction of advanced cases, such as the safety management system (Safety Career)
Field-based risk assessment	Establish self-regulation by conducting risk assessment activities in which all employees participate, develop and advance employee capacity building programs for this purpose, and establish a system for identifying and improving harmful risk factors
Strengthening labor-management cooperation	Introduce various systems (Safety Merit System) to strengthen the capability to comply with labor-management health and safety standards and enhance labor-management cooperation
Win-win cooperation	Reinforce various support measures (excellent partner discovery system, etc.) in order to raise the safety management capabilities of our partners to the same level as Hyundai



# Health and Safety

## Checking the Level of Health and Safety Management

**Accident Management Centered on Serious Injuries and Fatalities (SIF)** Hyundai has adopted the concept of SIF (Serious Injuries and Fatalities) to select processes with a high potential for high-consequence incidents and to investigate and improve any accidents that occur in those processes in order to prevent high-consequence incidents. In addition, we measure the related processes and actions to prevent occupational injuries, such as improving the health and safety management system, which is a leading indicator of the accident rate, and carrying out activities aimed at preventing the recurrence of occupational injuries. In 2024, the injury rate at our domestic sties decreased by approximately 14%p year-on-year, which is largely attributable to our efforts to improve processes exposed to frequent injuries through active investment and targeted management. To uphold employees' right to health, Hyundai ensures that they receive appropriate medical treatment and return to work, and is implementing various safety culture activities to curb the occurrence of high-consequence incidents.

**Assessment of the Health and Safety Management Level (H-SAT)** Hyundai has set in place the H-SAT (Hyundai-Safety Assessment Tool), a tool developed in-house in order to quantitatively evaluate and analyze the health and safety level of its business sites, address vulnerable areas, and raise the overall level of health and safety. The results of the evaluation are linked to the KPIs of the management and business site managers, with the aim of enhancing health and safety leadership and promoting activities to prevent workplace accident. The assessment of Hyundai's health and safety management level focuses on safety, health, and fire safety, and utilizes detailed indicators such as high-consequence incident prevention activities, site safety management, maintenance of the health and safety management system, and the health and safety roles and responsibilities of leaders. In 2024, some 272 deficiencies and field issues related to the health and safety management system were identified, of which 100% were improved according to the improvement implementation evaluation conducted in the second half of the year.

## H-SAT Assessment Results and Improvements

	Safety	Health	Fire Safety
Management System Assessment	High-consequence incident prevention activities, health and safety management system, etc.	Employee health impairment prevention, health programs	Emergency responses/drills, fire prevention plan, etc.
On-site Workplace Inspection	High-risk machinery and devices, safeguards for automated processes, etc.	Chemical management, workplace environment measurement process management, etc.	On-site hazard/gas management, fire-prone areas, etc.
Identified Improvements	Insufficient access controls for automated facilities, insufficient identification of risk factors through risk assessment	Hazard information and materials not made available on-site	Fire hydrant usage instructions not made available, insufficient container management in container storage areas
Improvement Rate	100%	100%	100%

**Safety Management KPIs** Hyundai recognizes safety as a pillar of corporate management in its efforts to enhance sustainability, and establishes and evaluates the safety management KPIs every year. The evaluation indicators are set to reflect the business characteristics of each organization for the purpose of preventing high-consequence incidents and establishing safety governance, and each organization practices safety management by striving to achieve these goals. Evaluation indicators comprise leading indicators (preventive activities) and lagging indicators (management performance): the former covers the H-SAT, identification and mitigation of critical risk factors, safety leadership activities, safety management during customer events while the latter includes occurrence of high-consequence incidents, injury rates, and absenteeism rates. Together, these indicators enable us to rigorously review our safety management across the entire business operations ranging from production plants to non-production operations.

Classification	Target	Key performance indicators	
Domestic	All (66)	• Accident rate/absenteeism rate <sup>1)</sup> target achievement rate • Pollutant emissions target achievement rate • Customer event safety management	• H-SAT and risk assessment • Safety culture and compliance with laws and regulations, etc.
Overseas	Manufacturing subsidiaries (7)	• Accident target achievement rate • Pollutant emission target achievement rate	• Safety leadership activities, H-SAT • Excellent disaster prevention activities at business sites, etc.

1) Absenteeism rate: Ratio of actual days absent relative to the total possible workdays, which serves as an indirect indicator of the overall occupational health and safety conditions at the workplace

## Health and Safety Management Activities

<div><div>Risk Assessment</div><div>We identify hazards and risks related to the work environment, machinery, equipment, raw materials, gases, vapors, and work procedures; and based on the findings, we implement preventive measures to mitigate risks and hazards.</div><div></div></div>	<div><div>Tags of Health and Safety Signs</div><div>We put safety sign tags in identifiable locations to warn employees and visitors of hazardous or risky areas, facilities, or substances; and provide guidance on how to behave in emergency situations.</div><div></div></div>	<div><div>Safety Measures for the Working Environment</div><div>We set management criteria for areas where there is a risk of falls, collapses, falling objects or other potential hazards; and perform regular maintenance and inspections.</div><div></div></div>	<div><div>Safety Measures for Machinery, Equipment and Facilities</div><div>We take protective measures that take into account the functions and characteristics of machinery, equipment, and facilities, and perform regular maintenance and inspections to eliminate potential hazards.</div><div></div></div>
<div><div>Preventive and Health Measures against Health Hazards</div><div>To prevent health hazards caused by raw materials, gases, vapors, high temperatures, noise, etc., we implement necessary preventive and health measures.</div><div></div></div>	<div><div>Provision of Personal Protective Equipment</div><div>We provide appropriate personal protective equipment (PPE) for the work environment and ensure the availability and management of spare PPE. Wearing protective equipment is mandatory.</div><div></div></div>	<div><div>Health and Safety Diagnosis</div><div>We conduct health and safety diagnoses of workplaces that have a high risk of safety accidents, such as falls, collapses, fires, explosions, and leaks of hazardous materials.</div><div></div></div>	<div><div>Response to Emergencies</div><div>We conduct training based on emergency scenarios such as falls, collapses, fires, and leaks of hazardous materials. We also inspect the functionality of firefighting equipment on a regular basis.</div><div></div></div>
<div><div>Management of Hazardous Substances</div><div>We compile and provide the Safety Data Sheet for the handling of hazardous substances. We also regularly measure and address physical and chemical hazardous factors, and implement improvement measures.</div><div></div></div>	<div><div>Activities for Health Promotion</div><div>We conduct regular health check-ups and implement programs for the prevention of work-related illnesses such as respiratory and musculoskeletal disorders, as well as managing job-related stress.</div><div></div></div>	<div><div>Health and Safety Support for Suppliers</div><div>We have established a health and safety management system for suppliers to substantialize risk assessments, and have strengthened accident prevention by providing targeted supplier management including diagnosis, education, and consultation.</div><div></div></div>	<div><div>Investigation of Accidents</div><div>We conduct investigations of the causes of any accidents that may occur and develop measures to prevent their recurrence. We also perform statistical analysis of occupational accidents and incorporate them into our performance improvement goals.</div><div></div></div>

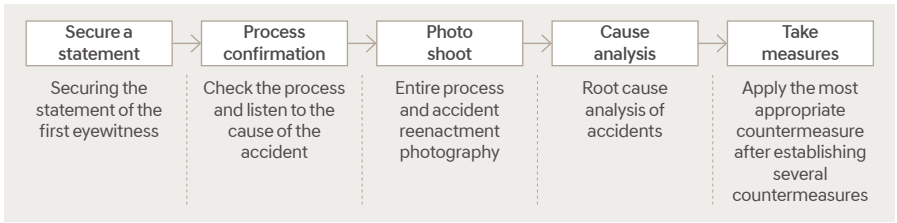
# Health and Safety

**Comprehensive Emergency Response Drills** To protect human life and property, Hyundai conducts two mock emergency drills each year - including rapid evacuation and response in the event of an emergency such as fire, explosion or leakage - in accordance with the Emergency Action Drill Plan. We aim to maintain and improve our ability to respond to emergencies through comprehensive emergency drills, which are planned by reflecting the major risk factors identified during risk assessments, and consist of creating scenarios for each situation, implementing actions for each emergency situation, and performing tasks across individual divisions. The person in charge of the comprehensive drill evaluates whether the drill is carried out in accordance with the standards and procedures, and the evaluation criteria are continuously revised to improve the level and intensity of the drills.

## Activities to Prevent High-consequence Incidents in the Workplaces

Classification	Description of activities
Regular mobile safety inspections	• Introduction of mobile inspections to ensure the safety of work processes and operating facilities
Installation of smart motion sensors	• Prevention of high-consequence incidents by installing sensors, primarily in safety management blind spots
Installation of human body detection sensors	• Installation of human body detection sensors, etc. to reduce the risk of accidents caused by workers' negligence when operating transportation machinery such as forklifts
Development of safety management regulations	• Development of step-by-step regulations for managing non-routine construction work conducted during non-working hours, from design to construction
Inspection of high-risk facilities	• Execution of on-site inspections of high-risk facilities such as suppliers' delivery vehicles, cranes at press plants, and mobile simple lifts

## Investigation Procedures and Step-by-step Actions in Case of a Safety Accident



\* Step-by-step Actions in Case of a Safety Accident: In the event of an accident, follow the steps above and do not omit a step or rush through the steps  
\*\* Prevent missing information by conducting an accident investigation that is based on the “5 Ws and 1 H,” and start from large causes and then move onto small causes (top down approach)

## Step-by-Step Safety Management



## Strengthening Response to Major Public Disasters

**Strengthening Our Capabilities to Address Major Public Disasters** To prevent potential disasters resulting from defects in the design, manufacturing and management of raw materials and manufactured goods as well as accidents occurring at public use facilities that we effectively control, operate or manage, we are extending the scope of safety management and continue to bolster our health and safety governance overseen by the Chief Safety Officer.

As to raw materials, we review and report on the implementation of our health and safety system on a half-yearly basis in the areas of workforce, budget, inspection/improvement, and training in compliance with 17 health and safety regulations (environment, fire safety, hazards, gas, nuclear power, etc.) requiring our compliance and implementation. The CSO's feedback on reported outcomes is communicated to business sites, and continuous checks and reviews are conducted to ensure such feedback is applied on-site.

For manufactured goods, we heed the Voice of Customers (VOC) raised through recalls, campaigns, and in other diverse areas as well as the entire development and manufacturing processes (body, painting, assembly, and inspection of finished vehicles) while identifying, remedying and managing relevant issues. We are ceaselessly committed to producing reliable and exceptional vehicles through rigorous quality management, enabling safe and convenient mobility for customers.

Turning to public use facilities (multi-use facilities and others), we classify them into three categories depending on their usage and size while developing safety plans for each building and manage them accordingly. Safety plans are prepared in compliance with the ‘Serious Accidents Punishment Act’, and are developed and implemented in line with Hyundai Motor Company's 12 internal management standards. In addition to statutory inspections including detailed safety inspections/reviews, we also conduct independent inspections on aging buildings that are over 30 years old to identify and mitigate vulnerabilities on an on-going basis.

For customer events hosted by Hyundai Motor Company, we establish our own safety management standards and ensure step-by-step safety management in compliance with these standards, from setting safety plans to operating a safety council and conducting on-site safety inspections. This eventually allows us to provide a safe and pleasant environment for participating citizens.

# Preventing High-consequence Incidents at the Site Level



## Asan Plant Embracing new technology for improved accident prevention

Our Asan Press Plant has deployed a safety stop system connected with intersection safety sensor tags to prevent collisions between Automated Guided Vehicles (AGV) and forklifts. With the extended detection area, this system ensures that a moving object stops in advance before an accident occurs. The Plant has also introduced an AI human detection system capable of distinguishing people and vehicles within the detection area, enabling emergency stops and protecting workers from being caught in vehicles.

## Mexico Plant Installing dual safety devices and anti-collision tags to provide stronger protection against shopfloor accidents

Our Mexico Plant has taken measures to ensure employees' feet are not caught in the rail-based transport equipment while equipping work lifts with light curtains and magnetic doors as dual safety devices, ensuring workplace safety on the shopfloor and protecting workers from falls or caught-in accidents in the process. To prevent collisions with pedestrians in blind spots along transport vehicle routes within the work area, workers entering the area are required to wear collision prevention tags. Such tags vibrate when a transport vehicle approaches to enable early risk detection. The deployment of these anti-collision tags alerts workers as well as vehicle operators to potential hazards and minimizes the risk of collision.

## Türkiye Plant Bolstering the AI/sensor-based safety system to minimize the risk of accidents and fires

At our Türkiye Body Plant, ultrasound sensors and alarm circuits were installed on lifters to protect workers from potential collisions during vehicle lifting operations. This enhanced safety system automatically halts the lifter and sounds the alarm when detecting the presence of a worker during operations. To eliminate safety blind spots along the press process lines, additional AI vision cameras were installed to prevent caught-in and collision accidents involving workers. A real-time monitoring system was deployed for local fire stations to check of the condition and flow of firefighting water supply pipes, enhancing reliability in our capability to extinguish fires.

## Korea Business Divisions Preventing safety accidents involving car carrier drivers and ensuring the safety of customers visiting High-Tech centers

To safeguard car carrier drivers in Korea, we developed lightweight safety helmets and hosted briefings to ensure drivers wear them when loading and unloading new vehicles in compliance with safety guidelines. Incorporating feedback from drivers, we also developed vehicle-mounted safety stands in partnership with the Ministry of Land, Infrastructure and Transport and the Korea Transportation Safety Authority and provided financial support for their installation on car carriers. Furthermore, to ensure the safety of customers visiting our High-Tech Centers which offer automotive maintenance and repair services, we conducted risk assessments across the nationwide network of High-Tech Centers and took corrective actions for risk factors associated with customer movement and their facility access within these centers.

# Health and Safety

## Spreading the Culture of Safety and Training

### Fostering a Health and Safety Culture

**Introducing the Safety Culture Pulse Survey** In 2023, we independently developed the H-SCI (Hyundai-Safety Culture Index) to quantitatively assess our safety culture, and conducted the first assessment. In 2024, the Pulse Survey was developed and adopted as a summary safety culture index to evaluate our shopfloor safety culture and make necessary improvements. We cross-reference the H-SCI and the Pulse Survey to analyze the trajectory of our safety culture, assess the effectiveness of relevant activities, and provide each department with web reports to support organizational-level efforts to develop strategies for safety culture improvement. In so doing, we help establish a safety-first culture across our shopfloor operations and a self-directed prevention system, further enhancing workplace safety at Hyundai Motor Company.

**On-site Safety Awareness Activities** We promote activities aimed at fostering employees' safety awareness through CSO safety messages, head of operations safety card news, safety plays involving employees' families, safety poster contests for employees' children, and safety emphasis weeks in the first and second halves of the year (safety cafes, LOTO experience booths, and TBM/safety standup meeting contests). We have also strengthened on-site participation through safety inspection days and CPR booths, and have expanded the available rewards for divisions that have established a safety whistleblower (Sinmungo) system. Additionally, we have collaborated with the Ministry of Employment and Labor and subsidiaries based in industrial complexes on promoting the safety culture, including the posting of safety culture messages on commuter and workplace buses.

**Supporting the Acquisition of Safety Professional Certifications** To strengthen professional competencies in on-site safety management, we are operating an occupational safety (industrial) engineer certification course for employees. Occupational safety (industrial) engineers are specialists in safety management within industrial settings, and their expert knowledge and skills are validated through the national certification system. Starting with our Ulsan Plant in 2023, we expanded the certification course to include Asan, Jeonju, R&D Center, and sales/maintenance operations in 2024, fully supporting our employees in developing their safety competencies. A total of 731 employees completed this course, of whom 634 went on to successfully obtain the certification.

### Occupational Safety Engineer Certifications Obtained in 2024

Category	Ulsan	Asan	Jeonju	R&D Center	Sales / Maintenance	Total
Applicants (No. of persons)	355	65	76	157	78	731
Successful Candidates (No. of persons)	312	56	69	138	59	634
Success Rate(%)	88	86	91	88	76	87



Occupational safety (industrial) engineer certification course

### Health and Safety Training

**Establishment of a Health and Safety Training Platform and Development of Content** Hyundai has established its own training system, the Safety Education Platform, which enables all employees to take health and safety training consisting of 115 educational videos easily and conveniently in an online and mobile environment. We produce engaging and informative safety educational contents in various formats - including short films, entertainment, and talk shows - for each of our videos, which are focused on safety rules, accident prevention, and the prevention of disasters.

### Health and Safety Training in 2024

※ Including duplicates

Training	Target		Hours	Completion (No. of persons)
Regular Training	Office workers		Over 6 hours per half-year	Total: 501,140 Group: 207,928 Mobile: 293,212
	Other workers	Sales workers	Over 6 hours per half-year	
		Non-sales workers	Over 12 hours per half-year	
New Hire Training	Daily workers and workers employed on contracts of 1 week or less		Over 1 hour	1,732
	Daily workers and workers employed on contracts longer than 1 week but not exceeding 1 month		Over 4 hours	
	Other workers		Over 8 hours	
Task Change Training	Daily workers and workers employed on contracts of 1 week or less		Over 1 hour	69,050
	Other workers		Over 2 hours	
Special Training	Daily workers and workers employed on contracts of 1 week or less (excluding tower crane work)		Over 2 hours	1,704
	Daily workers and workers employed on contracts of 1 week or less (tower crane workers)		Over 8 hours	
Other Training	Other health and safety training (fire prevention, basic drills, comprehensive drills, etc.)		-	44,731



# Health and Safety

**Introducing the Safety Experience Center and VR-assisted Simulation Training** We operate experience-based safety education facilities where employees can wear VR devices in order to experience safety hazards in virtual reality and raise their safety awareness.

Classification	Site	Opening	Facilities
Safety Experience Center	Jeonju Plant	Oct. 2024 (renovated)	13 devices
	Namyang R&D Center	Nov. 2024	9 devices
VR simulation devices	Asan Plant	Nov. 2023	2 VR booths



Safety Experience Center and VR simulation devices



## Support for Supplier’s Safety Management

**Preventing High-consequence Incidents at Suppliers** To improve the safety management level of its suppliers, Hyundai provides safety education and operates a reward system for excellent safety management partners. We have also developed a supplier safety management system that enables us to assess potential accident prevention capabilities in advance and select qualified suppliers in the first place. To establish a safety management system for our suppliers, we have carried out safety management activities such as registering suppliers' information, evaluating our suppliers' safety management competency, operating a safety council, and conducting joint inspections.

**Supplier Safety Inspections and Awareness-Raising on Safety Management** To help suppliers enhance their safety management and prevent occupational injuries, we conducted assessments with the help of third-party specialist organizations. The results informed our efforts to fully support suppliers in establishing a self-directed safety management system and bolstering health and safety performance. Specifically, we assigned safety ratings for each of the key parts to take a systemic management approach, ensuring rapid initial response to high-consequence incidents and maintaining reliable parts supply chains.

Additional tailored assessment consulting was provided to 80 suppliers whose safety inspection results did not meet the set criteria, providing substantial support for suppliers in strengthening safety management capabilities. We also operate the health and safety win-win cooperation support program aimed at enhancing suppliers’ foundational safety capabilities. This assists tier-1 and tier-2 parts suppliers with risk assessment consulting in developing their own safety management system, and the health and safety win-win council meets quarterly to share safety trends and best practices with suppliers.

We reinforced our fire safety management to proactively address a wide array of safety risks threatening our supply chains, including fires, explosions, and battery-related fires in addition to recent safety incidents. With the help of third-party specialist service providers, we reviewed 254 tier-1 and tier-2 suppliers operating high-risk facilities, painting processes, and gas installations for such major ignition hazards as on-site electrical facilities, earthing installations, and static electricity. We also recommended installing fire hydrants and alarm devices in compliance with pertinent regulations and taking various fire prevention measures, fully supporting suppliers in strengthening their fire prevention capabilities.

To help suppliers raise their safety awareness, we hosted safety management seminars and exhibitions for tier-1 suppliers. These seminars served to present Hyundai Motor Company's health and safety policies and key implementation strategies aimed at preventing high-consequence injuries and to share our response to the Serious Accidents Punishment Act. In particular, such exhibitions showcased the latest safety technologies, ranging from forklift safety devices and safety sensors to smart glasses and AMRs (Autonomous Mobile Robot), allowing suppliers to experience firsthand our safety devices required for shopfloor operations.

Under the safety device cost support program for tier-1 and tier-2 suppliers, we assisted our suppliers in adopting the LOTO (Log out Tag out) system, safety sensors, and forklift safety devices to help them prevent potential high-consequence incidents during high-risk processes. We hosted safety academy sessions and safety seminars to provide working-level safety management support to safety team leaders and managers from suppliers while sharing our safety management best practices with them, enhancing suppliers’ safety performance as a result. In partnership with the Global Partnership Center and the Foundation for Industrial Safety Partnerships, we make health and safety training available for all our suppliers and small/medium-sized businesses in the industry. Furthermore, we require all suppliers accessing our operations to conduct work or construction to complete safety training prior to entering our sites, which testifies to our commitment to enhancing safety awareness among our employees and workers.

# Sustainable Supply Chain

Hyundai recognizes supply chain sustainability as an essential component of corporate management, and operates a responsible supply chain management system. To this end, we set sustainability strategies and goals, and implement policies and programs promoting shared growth with suppliers. We also conduct supply chain due diligence to proactively identify and address risks, and join global initiatives for rigorous supply chain management. To assist suppliers in strengthening their capabilities, we provide them with comprehensive support in the areas of finance, technology, quality and ESG while operating grievance mechanisms to promote sustainable supply chain management based on win-win partnerships. Working together with suppliers, Hyundai aims to build a sustainable value chain with the goal of preventing human rights and environmental risks along the supply chain and minimizing them once they occur.

## Strengthening Supply Chain Risk Management

### Supply Chain Sustainability Management

**Supply Chain Sustainability Strategies and Goals** Hyundai’s definition of stakeholders covers suppliers, distributors, customers, regulatory bodies, and local communities involved throughout the entire vehicle lifecycle from design to production, distribution, service and dismantling. Stakeholders build trust-based relationships through fair contracts and transparent payments in expectation of sustainable growth while Hyundai explores opportunities to enhance product reliability and brand value through competitive quality, advanced technology competitiveness, reliable supply, and an eco-friendly production system. We formulate our supply chain management strategies in consideration of stakeholder needs and our own risks and opportunities, and continuously extend the scope of supplier sustainability risk assessments and due diligence to increase the overall sustainability of our supply chains. We have been conducting supply chain sustainability assessments on all our tier-1 suppliers worldwide since 2022, and encourage all tier-1 suppliers to certify their operations to ISO 14001 for environmental management and ISO 45001 for health and safety management. To support suppliers with sustainability competency enhancement, a support program is underway until the end of 2025 to help them deploy safety equipment and security systems and reduce carbon emissions.

### Supply Chain Management Strategies

5 Strategic Directions	Performance Indicators
Quality competitiveness	Delivery defect rate, claim reimbursement ratio, quality management, on-site evaluation of manufacturing processes, outsourcing management
Technological competitiveness	Basic competencies, performance competencies, capabilities for the future, reliability testing capabilities, S/W verification capabilities
Supply stability	Smooth supply of parts (prevention of production line stoppage), A/S parts delivery rate, KD parts delivery rate
Fair trade	Payment terms, contractual fairness, law/regulation compliance, win-win cooperation (support for win-win growth)
Eco-friendly production system	Environmental management system, energy consumption, air pollutant, waste, hazardous chemicals management

### Supply Chain Sustainability Goals

Classification	Support provided to	Support duration
Establish safety facilities	Tier-1 and tier-2 suppliers	2023-2025 (3 years)
Establish security systems	Tier-1 and tier-2 suppliers	
Support for carbon emission reduction	Tier-1 suppliers	
Operate an ESG consulting support program	Tier-1 and tier-2 suppliers	

\* Support target: Tier-1/tier-2 suppliers based on factors such as company size, business type, and others

### Expanding Supply Chain Sustainability

**Enactment and Amendment of the Supplier Code of Conduct** Hyundai’s Supplier Code of Conduct stipulates basic matters in the areas of ethics, environment, labor and human rights, safety and health, and management systems that should be observed by all suppliers that provide goods and services or signed a contract for other transactions. All suppliers that signed a contract with Hyundai must comply with the Supplier Code of Conduct and also recommend compliance with matters specified in the Code of Conduct to the overall supply chain, including companies they trade with (tier-N suppliers). Suppliers must consider the matters presented in the Code of Conduct in their management decision making and business operation processes, and actively respond to a sustainability risk due diligence that Hyundai carries out directly or through a third-party organization. In addition, in accordance with Hyundai’s risk improvement recommendations, suppliers must establish a risk mitigation plan and implement measures based on mutual discussion.

Our supply chain sustainability management plans and programs as well as key relevant matters are overseen and reviewed by the Board of Directors to seek continuous improvement. Notably, our Supplier Code of Conduct was updated with provisions on the prohibition of compulsory labor. This ensures Hyundai does not source raw materials, parts, and components produced using forced labor directly or indirectly in any stage of the supply chain, and requires suppliers to develop and implement policies to ban the use of compulsory labor. These provisions also stipulate that supply chain due diligence be conducted in relation to forced labor, further safeguarding human rights along the supply chain and advance responsible sourcing.

 [Hyundai Motor Company Supplier Code of Conduct](#)

**Organization Responsible for Supply Chain Sustainability Management** Through a dedicated team within Hyundai’s Procurement Division, the company is responding to increasingly stringent global regulations on supply chain due diligence. Additionally, it oversees supply chain due diligence and promotes carbon neutrality among suppliers, ensuring timely management of supply chain sustainability for parts, raw materials and equipment supplied to Hyundai’s vehicle manufacturing plants in Korea and abroad.

**Incorporating Sustainability to Supplier Selection Criteria** Hyundai monitors the status of safety and environmental incidents at its suppliers by distributing guidelines on safety, health, and environmental management standards, assessing sustainability risks, and conducting due diligence. Also, when selecting our suppliers, we impose penalties on those who are responsible for accidents. Moreover, when selecting new suppliers, we evaluate not only their quality management systems, financial structure, and management capabilities, but also their sustainability, safety, and security practices. The results of these evaluations are incorporated into the transaction conditions, and existing suppliers may also face penalties such as bidding sanctions based on the outcome of their evaluation.

Our supply chain due diligence standards are becoming increasingly stringent, and are incorporated into our official website and standard contract form. In 2024, we fully revised the basic agreement regarding business transactions form signed with tier-1 suppliers as well as the request for quotation (RFQ) form. To apply enhanced standards to existing suppliers, we regularly require them to comply with our supply chain sustainability standards at the time of contract renewal. Notably, the revised basic agreement form includes provisions on ‘sustainability management’ and ‘environmental pollution minimization and safety management’. These provisions stipulate that Hyundai may impose legal obligations on suppliers to abide by its Supplier Code of Conduct and request prompt corrective action or discontinuation for non-compliance. In the event a supplier fails to respond to such requests, Hyundai reserves the right to terminate the contract for reasons of breach of contractual obligations. Furthermore, we incorporated requirements in the RFQ form to uphold the principle of zero tolerance towards compulsory labor, obligating suppliers to effectively implement sustainability management in the contract signing and renewal process.

**Receiving Sustainability Documents for Supplier Registration** If we determine that a supplier is qualified for trade as a result of a supplier evaluation, we receive from the supplier its evaluation report, survey on actual conditions, financial statements, as well as pledges on improving sustainability, including an ethics pledge, an agreement on supplying eco-friendly parts, a quality pledge, and an information protection pledge.

**Current Status of Hyundai Suppliers** Hyundai’s suppliers are in various regions across the globe, including Korea, US, China, Europe, India, Latin America, Southeast Asia, etc. Of these suppliers, those that supply core parts (hydrogen fuel cell parts, battery parts, control parts, electrification parts, etc.), have a low level of replaceability, or have a large trade volume are chosen and managed as significant (key) suppliers. Tier-1 suppliers registered and managed in 2024 totaled 1,494 (purchase percentage of 100%), consisting of 374 suppliers in Korea and 1,120 suppliers overseas. Of the tier-1 suppliers, there are 58 key suppliers (purchase percentage of 69%). In addition to tier-1 suppliers, we identify tier-2 suppliers that have a significant impact on business operations. The number of key suppliers among tier-2 and lower suppliers stands at 48.

# Sustainable Supply Chain

## Supply Chain Sustainability Due Diligence

**Risk Due Diligence Process** Hyundai’s management of the supply chain sustainability risk evaluation consists of written assessment, on-site audit, improvement and monitoring. We strive to continuously improve the due diligence indicators in accordance with global trends to identify potential sustainability risks in the supply chain more effectively. In addition, to comply with the global supply chain due diligence laws, we have established a compliance program related to the risk of forced labor to enhance our integrated supply chain sustainability risk management system.

**Composition of Risk Due Diligence Indicators** Hyundai established its unique supply chain sustainability risk due diligence indicators by using laws related to fair trade/environment/labor/safety and health/supply chain due diligence, the OECD Guidelines for Multinational Enterprises, EcoVadis, Responsible Business Alliance (RBA), Drive Sustainability, and other indices and standards. The supply chain sustainability risk due diligence indicators consist of ethics, environment, labor and human rights, and safety and health areas. In consideration of a supplier’s size and whether it satisfies key indicators, we reflect the evaluation results in supply chain operation strategies.

Rating Agency	• Third-party external rating agencies conduct the assessments to ensure impartiality and expertise
Initiatives utilized for Assessment	• EU Corporate Sustainability Due Diligence Directive • OECD Guidelines for Multinational Enterprises • EcoVadis • Drive Sustainability • Responsible Business Alliance • UN Sustainable Development Goals • UN Global Compact • Carbon Disclosure Project

### Steps of Risk Due Diligence

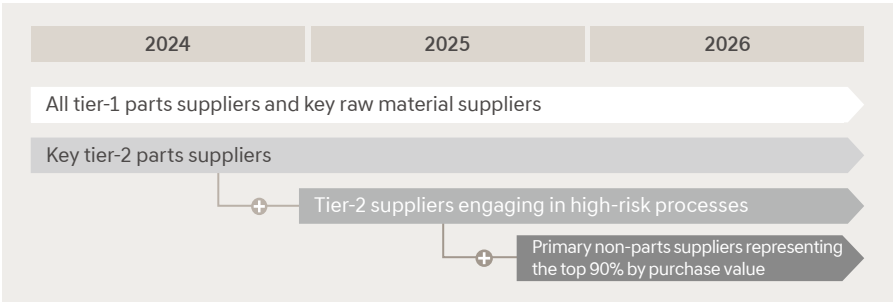
Risk filter	• Analyzing expected risks by country where suppliers are located, affiliated industry, and supplied product • Using an external risk database provider to screen for forced labor risks
Written assessment	• A supplier accesses an online system(IT), and conducts a self-assessment(checklist) on its sustainability risk level and provides documentary evidence
On-site audit	• A visit is made to a supplier together with an external expert to check the on-site situation or confirm authenticity of documentary evidence
Improvement measure	• Request for immediate improvements or recommend developing an improvement plan for high-risk factors identified in the written assessment or on-site audit process
Monitoring	• Conduct continuous monitoring on the implementation of improvement plans

**Due Diligence Aligned with Supply Chain Management Strategies** Hyundai established top five strategic directions of supply chain management for suppliers’ quality competitiveness, technological competitiveness, supply stability, compliance with fair trade, and establishment of an eco-friendly production system. To achieve the top five strategic directions, we established major performance indicators (delivery defect rate, reliability testing capabilities, KD parts delivery rate, payment terms, energy consumption, etc.) for each direction and monitor the execution status on a regular basis. In addition, we designed “management indicators aligned with strategy” and “sustainability risk due diligence indicators” to identify whether suppliers are participating in and executing our supply chain management strategies. Based on these indicators, we are conducting a due diligence (assessment) of supplier levels.

Our sustainability assessment results are integrated into our procurement policy. For new suppliers, if their scores fall below the threshold on the sustainability risk due diligence, they must submit an improvement plan and undergo a reassessment. Transactions are only permitted once they meet the threshold. For existing suppliers, these assessment results will also be incorporated into our bidding system, allowing participation in new bids only if the threshold score is met.

**3-year Roadmap for Supply Chain Sustainability Due Diligence Implementation** Hyundai conducts supply chain sustainability due diligence on all tier-1 parts suppliers. By 2026, we plan to expand the scope of sustainability assessments to cover tier-2 suppliers involved in key processes and primary non-parts suppliers representing the top 90% by purchase value. Specifically, painting, metal plating, casting, and forging were identified for high environmental and human rights risks through preliminary risk assessments and were selected as major risk management targets. Suppliers engaging in these processes will be prioritized for sustainability assessments starting in 2025.

### 3-year Roadmap for Supply Chain Sustainability Due Diligence Implementation



**Risk Filter** By proactively identifying potential and actual risks with high likelihood within the supply chain, we ensure a more systemic and effective risk assessment and due diligence. This is achieved by conducting risk screening using external databases, and supply chain risks are granted one of the three ratings of high, medium, or low based on screening results. Follow-up actions, such as regular monitoring and additional due diligence, are recommended and implemented according to risk screening results. For suppliers rated medium or higher undergo supply mapping. Our supply mapping primarily targets key parts including aluminum, steel, tires, batteries, and polysilicon, and their priorities are adjusted in consideration of changing external conditions and the potential emergence of new risks.

### Supply Chain Risk Pre-Identification Step

Identification of risks by country, business type, part and raw and subsidiary material	We identify and manage risks by country where our suppliers are located, business type, supplied part, and raw and subsidiary material. To this end, we use materials disclosed by each country’s government and research organizations as well as various media and social network materials.	
Analyzing the Results of the Supply Chain Sustainability Risk Due Diligence	Identified risks are classified and managed based on various areas, including ethics, environment, labor and human rights, health and safety. These are incorporated into the derivation of measures for improving supply chain risks and revisions of the due diligence indicators.	
Supply Chain Mapping through Visualization System	We are operating a supply chain visualization system to show the current status of supply chains ranging from tier-1 to tier-N suppliers. Work is underway to align tier-N supply chain data form this system with external screening databases to ensure the efficiency of our risk identification and assessment procedures.	

**Written Assessment** Hyundai diagnoses supply chain sustainability risks based on its unique, distinctive indicators and criteria. A written assessment is conducted using an online assessment system that can be accessed by all suppliers in Korea and abroad. Suppliers respond to evaluation indicators by means of a self-assessment and attach documentary evidence. Supplier written assessment results serve as basic data for checking suppliers’ sustainability risks, choosing suppliers subject to on-site audit, and categorizing high-risk suppliers.



# Sustainable Supply Chain

Along with internal assessments, we conduct more in-depth and multifaceted analyses of human rights and environmental risks throughout the supply chain to prevent such risks before they occur. As part of these efforts, we partnered with EcoVadis, a global sustainability rating agency, to engage in additional verifications on all tier-1 parts suppliers in Korea between Q4 2024 and Q1 2025 in the areas of environment, labor and human rights, ethics, and sustainable procurement . The results showed that suppliers within Hyundai’s supply chain scored above the global industry average and demonstrated outstanding overall performance. It should be noted, however, that our suppliers scored relatively low in ethics and sustainable sourcing compared to the environment, labor and human rights sectors. In response, we plan to expand training programs and strengthen tailored consulting support to help suppliers enhance their capabilities in these areas, and conduct on-stie audit as needed to achieve tangible improvements.

## Supply Chain Sustainability Risk Assessment Indicators

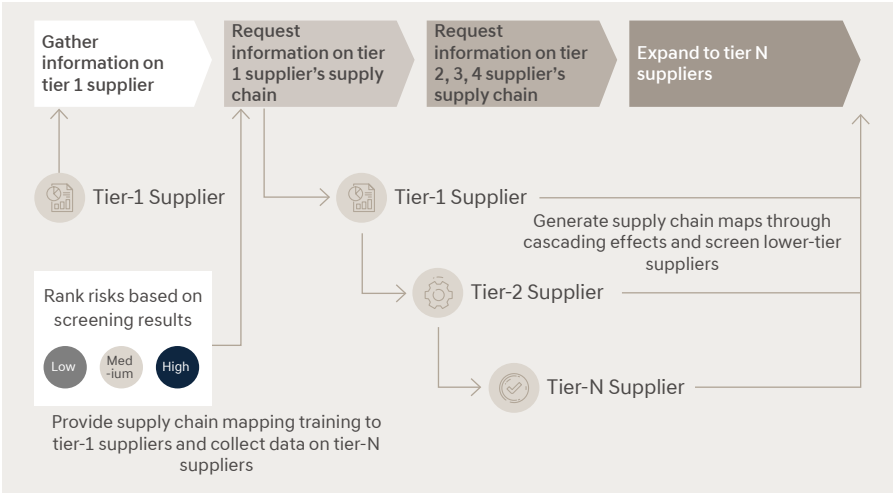
Ethics	Environment	Human rights and labor	Safety and health
<div><div>• Anti-corruption, anti-bribery</div><div>• Ethical management</div><div>• Responsible sourcing (conflict/responsible minerals, wood, rubber and raw materials regulated under the EUDR)</div><div>• Ban on counterfeit parts</div><div>• Protection of intellectual property rights</div><div>• Information security</div><div>• Supplier inspection</div></div>	<div><div>• Environmental management system</div><div>• Climate change and energy</div><div>• Air pollutants</div><div>• Water resources management</div><div>• Hazardous waste management</div><div>• Chemicals management</div><div>• Prevention of marine pollution</div><div>• Conservation of endangered animals and plants</div><div>• Environmental impact of products</div></div>	<div><div>• Working conditions and environment</div><div>• Non-discrimination</div><div>• Non-humane treatment</div><div>• Freedom of association</div><div>• Prohibition of child labor</div><div>• Prohibition of forced labor</div><div>• Indigenous peoples</div><div>• Living wage</div></div>	<div><div>• Safety and health management system</div><div>• Prevention of occupational injuries</div><div>• Adequate housing</div><div>• Lost Time Injury Rate management</div></div>

**On-site Audit** Hyundai chooses suppliers that are subject to on-site audit by comprehensively considering countries where suppliers are located, business type, supplied parts and raw and subsidiary materials, and written assessment results. Primary on-site audit targets include suppliers that submitted insufficient responses and documentary evidence for the written assessment and suppliers that have been confirmed to have potential or actual sustainability risks based on written assessment results. Some on-site audits of suppliers with identified risks involve the participation of independent third-party expert organizations in close collaboration with Hyundai’s procurement division. During the on-site audit process, we checked the relevant suppliers’ systems and regulations related to their working condition and environment, protection of indigenous people’s rights, legitimate handling of wastes and pollutants, occupational health and safety system, information security management and so on. We plan to review and apply ways to effectively identify and manage concerning ESG risks at work sites during on-site audits.

**Key Improvements by Area** The following table shows the key deficiencies identified through supply chain sustainability risk assessments. We share evaluation result report with the average score of benchmark companies and the top score in addition to areas of weakness and areas for improvement for each company, thereby inducing them to make improvement. In addition, we proactively identify and implement support measures within our capacity to ensure our suppliers deliver meaningful improvements.

	Area	Necessary Improvement	Improvement Direction
Ethics	Responsible sourcing of raw materials	Critical raw material management system	Raise awareness among suppliers through training on the management of critical raw materials including minerals, rubber, and wood
	Information security	Information security risk management	Provide training on information security implementation measures and share best practices
Human rights	Wage	Improvement in living wage payment	Provide suppliers with living wage standards and relevant cases
	Indigenous peoples	Development of a local community impact management system	Share impact management methods including local community communication channels and human rights/environmental impact assessment-based analysis
Environment	Climate change	Development of mid/long-term goals for GHG emissions reduction	Develop joint programs with suppliers to achieve reductions in GHG emissions
	Energy	Development of energy transition plans	Develop programs aligning GHG emissions reduction with energy transition efforts
	Environmental impact of products	Reinforcement of product environmental impact management	Jointly manage the environmental impact of products with suppliers

## Supply Chain Mapping Process from Tier 1 to Tier N



## Supplier Overview

(Unit: Companies)

Classification	Total	Korea	Overseas	Remarks
Tier-1 suppliers	1,494	374	1,120	
Key tier-1 suppliers	58	58	0	Tier-1 suppliers representing 69% of total purchase value
Key tier-2 – tier-N suppliers	48	48	0	

## Results of Supply Chain Sustainability Risk Due Diligence

(Unit: Companies)

	Classification	Total	Korea	Overseas	Remarks
Written assessment of ESG risks	Tier-1 suppliers	1,494	374	1,120	
	Key tier-1 suppliers	58	58	0	100% written assessment rate for significant suppliers
	Key tier-2 suppliers	48	48	0	
	Other non-parts suppliers	220	220	0	
Identification of high-risk suppliers based on written assessment	Tier-1 suppliers	19	8	11	
	Key tier-1 suppliers	2	2	0	
	Key tier-2 suppliers	0	0	0	
	Other non-parts suppliers	0	0	0	
On-site audit of ESG risks	Tier-1 suppliers	195	138	57	Including 19 high-risk suppliers identified through written assessments
	Key tier-1 suppliers	17	17	0	100% on-site ESG audit rate for high-risk suppliers
	Key tier-2 suppliers	40	40	0	
	Other non-parts suppliers	72	72	0	
Improvement measures for high-risk suppliers	Suppliers with negative impacts identified	19	8	11	
	Key tier-1 suppliers	2	2	0	
	Key tier-2 suppliers	0	0	0	
	Other non-parts suppliers	0	0	0	
	Suppliers with established improvement plans agreed upon	19	8	11	100% implementation of improvement plans for 2 significant tier-1 suppliers identified for high-risk factors
	Key tier-1 suppliers	2	2	0	
	Suppliers that completed implementation of improvement plans	19	8	11	
	Key tier-1 suppliers	2	2	0	

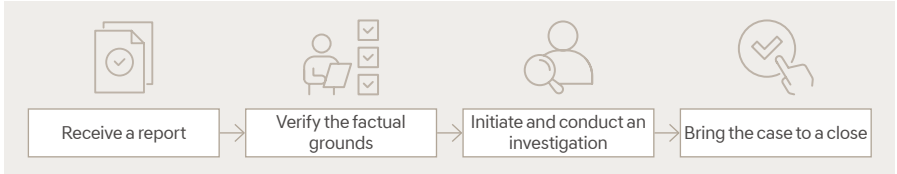
# Sustainable Supply Chain

## Supplier Grievance Handling

**Communication Channels for Suppliers** It is important for Hyundai to provide suppliers with guidelines on ethical conduct and carbon neutrality in order to establish a fair and transparent win-win partnership. To this end, Hyundai operates the Supply Chain Sustainable Management Center, Suggestion Box for Suppliers, and Transparent Purchase Practices Center on its Partner website while operating a “suggestion box for transparency and ethical practices” and “suggestion box for tier-2 and tier-3 suppliers” so that its suppliers can voice their difficulties and propose various system improvements. If a concern is raised by a supplier, the factual grounds are verified internally and the supplier is notified of the initiation of a detailed investigation. The investigation is carried out based on objective evidence, and appropriate action is taken according to our internal regulations to bring the grievance handling process to a close. We are making utmost efforts to establish fair trade practices and strengthen transparency throughout the supply chain, such as implementing a “retaliation prohibition policy” so that even when a supplier reports Hyundai’s fair trade law violation to a relevant organization or raises an objection with content in a contract with Hyundai, we do not suspend trade with the supplier or restrict traded products and quantity.

 [Hyundai Partner System](#)

### Grievance Handling Process



### Grievances Handled through the Suggestion Box for Transparency and Ethical Practices

(Unit: No. of cases)

Type of Greivance	Case Submitted	Case Handled
System/process	2	2
Quality management	3	3
Others	2	2
Total	7	7

### Grievances Handled through the Suggestion Box for Tier-2 and Tier-3 Suppliers

(Unit: No. of cases)

Type of Greivance	Case Submitted	Case Handled
Support program	26	26
System/process	24	24
Others	22	22
Total	72	72

## Stakeholder Engagement

**Dialogue with External Stakeholders** We value dialogue with stakeholders as a critical component in advancing sustainable supply chain management, enabling us to refine and evolve our sustainability strategies from multiple perspectives. Engagement with stakeholders plays a constructive role in identifying the latest trends in supply chain management, sharing best practices, and exploring more effective methods of collaboration. In March and October of 2024, we organized two separate dialogue sessions with NGOs and other external stakeholders to communicate our strategies to manage human rights and environmental issues across the supply chain. This also served for external stakeholders to underscore the importance of strengthening partnerships with stakeholders by joining global initiatives and of conducting more rigorous human rights due diligence for battery material supply chains. Fully reflecting such feedback, we joined the Responsible Business Alliance (RBA), the Responsible Minerals Initiative (RMI), and Drive Sustainability, an automotive supply chain partnership, further elevating our collaboration to help establish sustainable supply chain management. We also expanded the scope of high-priority minerals to cover nickel, lithium, copper, graphite and other varying raw materials in addition to conflict minerals and cobalt in developing our supply chain human rights and environmental risk management system. Looking ahead, Hyundai remains committed to promoting partnerships with stakeholders towards transparent and responsible supply chain operations.

**Responsible Business Alliance (RBA)** As a member of the Responsible Business Alliance (RBA), a global industry association, Hyundai actively endorses its vision and goal and progresses towards enhanced standards in the areas of labor, human rights, and the environment across the supply chain. The RBA’s mission is to create sustainable value for workers, the environment, and business operations throughout the global supply chain. RBA members, suppliers, and stakeholders collaborate to improve outcomes in terms of working conditions, environmental protection, and business performance in line with the advanced standards and practices recommended by the RBA. The RBA Code of Conduct aligns with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the UN Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and other internationally-recognized guidelines. Hyundai adheres to RBA’s Code of Conduct and seeks continuous improvements in its workplace operations. This Code of Conduct guided our efforts to establish our Supplier Code of Conduct, which is embedded into our supply chain management system and communicated to our suppliers. Furthermore, the RBA serves as an avenue for us to actively engage in cross-industry dialogue and standard-setting endeavors to address supply chain human rights issues and expand partnerships to establish responsible supply chains.

**Drive Sustainability** Hyundai is a member of Drive Sustainability, a strategic partnership forged among global automotive makers with a goal of advancing and strengthening sustainability across the automotive supply chain. This essentially promotes continued commitment to raising standards in the areas of the environment, human rights, and labor throughout the supply chain. In partnership with Drive Sustainability, Hyundai is determined to uphold sustainability across the supply chain and pursue more responsible business operations.

**Responsible Minerals Initiative (RMI)** As a member of the Responsible Minerals Initiative (RMI), Hyundai strives to ensure the transparency of conflict mineral supply chains and promote responsible minerals sourcing. The RMI provides businesses with a range of tools and data to implement responsible mineral sourcing practices. In particular, the RMI’s Responsible Minerals Assurance Process (RMAP) helps businesses validate the conformance of their smelters and refiners to the RMAP standards. As an active member of RMI’s working groups, Hyundai meticulously analyzes and addresses supply chain risks leveraging RMI’s global network and expertise. In so doing, we aim to reach closer to external stakeholders, drive continuous improvements in responsible minerals sourcing, and build ethical and sustainable supply chains.

**Receiving and Addressing Stakeholder Grievances** In addition to the Hyundai Partner System designed to help suppliers file their grievances, we operate a range of communication channels for stakeholders to raise their concerns related to human rights, labor conditions, ethics, and the environment throughout the supply chain. We actively engage with varying stakeholders, including NGOs and research institutes, while closely reviewing and addressing their grievances. Hyundai values engagement with wide-ranging stakeholders as part of the process to identify potential and actual human rights and environmental risks along the supply chain. This forms the basis of our commitment to transparent and responsible supply chain management.

# Sustainable Supply Chain

## Raw Material Supply Chain Management

### Responsible Minerals Management

**Selection of Responsible Minerals** At Hyundai, purchasing power means much more than a mere business tool: we leverage our purchasing power as an enabler of responsible sourcing to safeguard local communities. To this end, we accurately trace the origin of raw materials, respect human rights, and abide by international standards all while establishing our procurement system that minimizes impact on the environment and local communities. In selecting responsible minerals, we comprehensively considered global regulatory trends, the geographic distribution of high-risk areas, human rights and environmental risks on local communities, and our internal procurement strategies. This process helped us identify 22 responsible minerals, prioritizing conflict minerals and battery minerals. In so doing, Hyundai effectively identifies human rights risks across the supply chain and advances responsible minerals sourcing. The scope of high-priority responsible minerals subject to targeted management is adjusted each year in light of the aforementioned factors.

Materiality Assessment Results of Responsible Minerals

Assessment Criteria	Conflict Minerals (tin, tungsten, tantalum, gold)	Battery Materials (cobalt, lithium, nickel, natural graphite, etc.)	Other Minerals (mica, platinum, palladium, rhodium, etc.)
Global regulations	High	High	Low
Geographic distribution of high-risk areas	High	High	Medium
Human rights and environmental risks	High	High	Medium
Strategic sourcing	Medium	High	High
Stakeholder interest	High	High	Medium
Others(global certification, etc.)	High	Medium	Low
Materiality analysis results	High-priority minerals	High-priority minerals	High

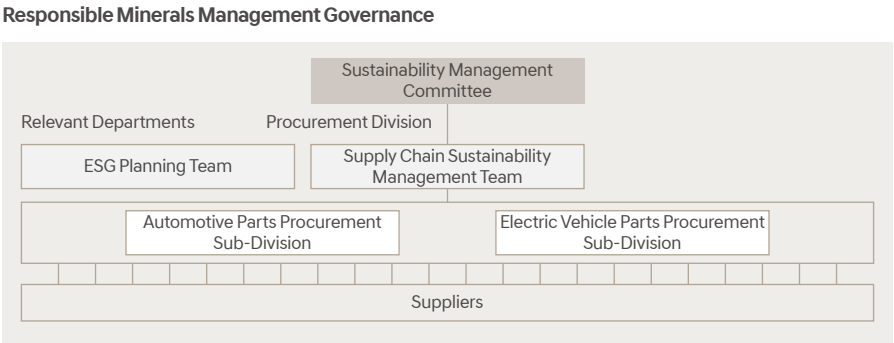
### Responsible Minerals Management Plan

Classification	Management Plan
Conflict Minerals	Verify whether a smelter is RMAP <sup>1)</sup> -compliant(CMRT)
Battery Materials	Verify a smelter for certification status(EMRT), conduct on-site audit in line with OECD guidelines
Other Minerals	Verify LPPM <sup>2)</sup> and other relevant certifications, conduct identification and mitigation of risks in line with OECD guideline

1) RMAP (Responsible Minerals Assurance Process): A responsible mineral assurance process operated by the RMI (Responsible Minerals Initiative). The RMAP assesses and certifies systems and processes to verify the presence of conflict minerals in the supply chain and ensure responsible minerals sourcing.  
2) LPPM (London Platinum and Palladium Market): A supervisory body for platinum and palladium trading in the London precious metals market. The LPPM operates a responsible raw material sourcing certification program to promote the ethical and responsible operations of platinum and palladium supply chains.

**Responsible Minerals Management Roadmap** We are committed to implementing a phased roadmap for responsible minerals management as a key pillar in establishing sustainable supply chains. In 2024, we selected conflict minerals (tin, tantalum, tungsten, and gold) and cobalt as high-priority minerals based on mineral materiality assessment results, reinforcing relevant policies and establishing our management system. In 2025, we expanded the scope of high-priority minerals to include nickel, lithium, graphite, and other battery materials through materiality assessments. This will be complemented by updating our responsible minerals policy and advancing their management process, establishing a more systemic foundation for responsible minerals management as a result. For newly-added high-priority minerals, actual risks will be identified and managed through supply chain mapping and on-site audit . In 2026, we plan to extend the coverage to include other minerals within the 22 responsible minerals, to further raise the bar in actual management practices. This phased approach will support our efforts to render our responsible mineral supply chains more transparent and resilient while upholding human rights, and pursuing sustainable growth.

**Responsible Minerals Management Governance** We are keenly aware of human rights violation arising in conflict-affected and high-risk areas and are fully committed to resolving them and safeguarding the health and safety of workers. This is precisely why we are establishing management systems to abide by responsible minerals policies and fulfill our social responsibility through the Supply Chain Sustainability Management Team under the Procurement Division operating the responsible minerals management process. The Team continuously reviews risks alongside respective departments and collaborates with the ESG Planning Team and other relevant departments.



**Responsible Minerals Management Process** Hyundai operates a systemic responsible minerals management process to advance responsible raw material sourcing along the global supply chain. We abide by pertinent international standards, including the OECD Due Diligence Guidance, the Responsible Minerals Initiative, and the EU Battery Regulation while taking a phased approach to minimize human rights risks across our supply chains. This process begins with developing mineral management policies and operational plans for responsible minerals sourcing, articulating our principles of protecting human rights, and eliminating compulsory labor. In the subsequent risk screening and assessment phase, we analyze geopolitical risks to identify high-risk areas, and conduct qualitative evaluations using ESG indicators (compulsory labor risk, etc.) and third-party due diligence data, along with surveys based on the CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template). For supply chains deemed at risk based on these analyses and high-priority responsible minerals identified by Hyundai, we conduct on-site audit in compliance with the OECD Due Diligence Guidance. This enables us to verify actual risks and collaborate with suppliers in developing and monitoring improvement plans in light of due diligence findings.

### Conflict Minerals Management Process





# Sustainable Supply Chain

**Responsible Raw Materials Procurement Policy**   Hyundai's responsible raw materials procurement policy aims to minimize unnecessary resource waste and prevent environmental degradation and human rights violation stemming from illegal practices. This policy directs us to rigorously monitor the procurement process to uphold human rights for workers and indigenous peoples within the value chain while reducing negative environmental impacts through improved energy efficiency and expanded eco-friendly logistics. We prioritize raw materials based on their consumption levels and environmental/social impacts and manage them accordingly, and plan to progressively expand the use of recycled raw materials through optimal input and reinput practices. In addition, we provide training to employees from relevant departments whose involvement is essential in the management process, encouraging them to report issues that hinder sustainability in procurement. Furthermore, we set performance improvement goals in consideration of legal and regulatory compliance and industry trends to promote raw material risk management while continuously tracking the progress made. Management meetings attended by key decision-makers serve to approve sustainable procurement policies, discuss risk response strategies, and operate grievance mechanisms to receive and address concerns, determining optimal responses to issues that pose significant legal and reputational risks.

 [Hyundai Motor Company Responsible Raw Materials Procurement Policy](#)

**Conflict Minerals(Responsible Minerals) Management Policy**   Hyundai recognizes that there are conflict minerals that are unethically mined and distributed, including human rights violations and environmental destruction, in conflict zones, and prohibits use of conflict minerals (tin, tantalum, tungsten, gold) that are unethically mined in conflict areas. Based on the basic policy of “providing products to consumers that went through a legitimate and ethical distribution process,” we operate a conflict minerals management process jointly with suppliers and strictly investigate inclusion of conflict minerals in products. In addition, we are continually monitoring the cobalt supply chain in accordance with the OECD Due Diligence Guidance to manage the issue of child labor in cobalt mines of the Democratic Republic of Congo. We provide suppliers with conflict minerals management guidelines and hold relevant briefing sessions to help raise their awareness of conflict minerals. In addition, we will make continued efforts to expand the mineral purchase policy that calls for non-use of conflict minerals and fulfillment of social responsibilities to include suppliers' clients.

 [Hyundai Motor Company Conflict Minerals\(Responsible Minerals\) Policy](#)

**Selection of High-Risk(Risk Management) Areas**   Hyundai has classified 10 African countries (Democratic Republic of the Congo, Rwanda, Burundi, Sudan, Angola, Uganda, Zambia, Central African Republic, Congo, Tanzania) and other conflict areas as Conflict Affected and High Risk Areas(CAHRAs). We continue to monitor suppliers' use of conflict minerals and cobalt that are illegally or unethically mined/distributed in these areas. Additionally, in cases where sourcing from conflict mineral risk areas is unavoidable, we have established a process to use such materials only after internal review confirms that they pose no issues.

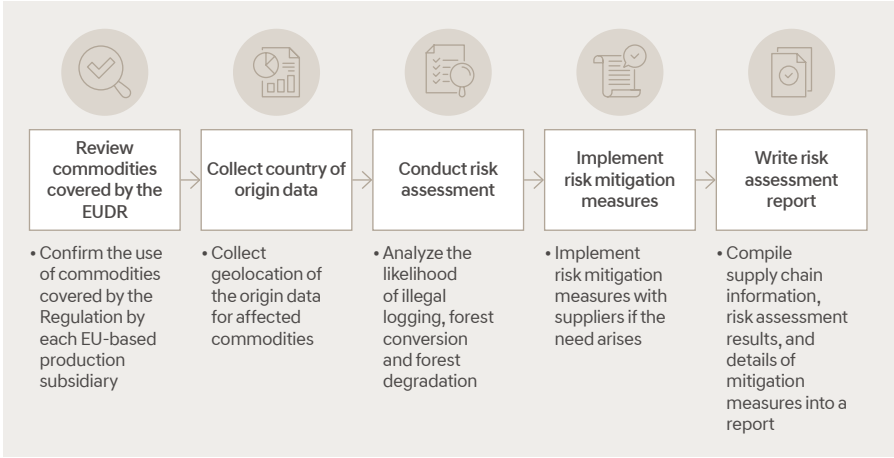
**Investigating the Conflict Mineral Status of Suppliers and Checking Risks**   We investigated the status of suppliers that use tin, tantalum, tungsten, gold, and cobalt. For tier-1 suppliers and electric vehicle battery suppliers, we received CMRT/EMRT materials from lower-level suppliers that supply parts that used conflict minerals and cobalt. We listened to difficulties experienced by suppliers that were having difficulty in creating CMRT/EMRT materials or whose materials were insufficient. We also explained on several occasions the need to actively respond to the conflict minerals management process and recommended all suppliers subject to investigation to submit materials.

Based on the CMRT/EMRT data submitted by our suppliers, we conducted an analysis to determine if the suppliers were engaged in trade with RMAP-certified smelters. In cases where suppliers were not trading with certified smelters, we proactively requested that they implement a mineral purchasing policy that aligns with social responsibilities and to engage exclusively with certified smelters. We also approached tier-1 suppliers sourcing conflict minerals from uncertified smelters, requesting a comprehensive improvement plan outlining their mid to long-term intentions to transition to certified smelters. These measures induce all suppliers included in our conflict minerals management program to fulfill their social responsibilities, allowing us to address related risks effectively.

**Raising Supplier Awareness of Conflict Minerals**   By investigating the conflict mineral status of our suppliers, we identified in advance whether items used in the production of major electric models use conflict minerals or cobalt. In addition, we held briefing sessions and provided training to tier-1 and tier-2 suppliers that use conflict minerals, electric vehicle battery suppliers, and Hyundai employees in charge of purchasing with regard to the background of conflict minerals management, conflict minerals regulation trends in major countries, Hyundai's conflict minerals management policy, CMRT/EMRT outline and investigation plan, and trading with RMAP-certified smelters as part of our activities aimed at raising overall awareness of conflict minerals management.

**Raw Material Supply Chain Management to Respond to the EUDR**   To proactively respond to the EU Deforestation Regulation (EUDR), we collected geolocation data on the plots of land of origin for seven commodities including wood, rubber, and palm oil that are covered by the Regulation. This allowed us to meticulously review products exported from our EU-based production subsidiaries to those located outside the EU as well as products placed on the EU market. The review results revealed that key countries of origin were Korea, Thailand, Indonesia, Vietnam and Malaysia. In collaboration with external specialized organizations, we are carrying out phased risk assessments by comprehensively taking into account forest conversion and human rights risks at the country level. These risk assessments align with the key requirements of the EUDR, including human rights violation affecting indigenous peoples, land use change, and forest conversion affecting the country of origin. In the event any significant risk is identified through risk assessments, we will immediately take mitigation or disengagement action to strengthen responsible supply chain management.

## Hyundai's EUDR Response Process



**Complying with FPIC to Protect the Human Rights of Indigenous Peoples**   Hyundai is clearly aware that its business operations within the supply chain associated with the procurement of key raw materials may bring impact on local communities. As such, we prioritize the principle of free, prior and informed consent (FPIC) from affected indigenous communities in the project planning phase. This goes beyond simply obtaining consent: rather, it includes efforts to provide sufficient and timely information to affected communities while respecting their distinct cultures, values and decision-making systems.

In supporting the rights of indigenous peoples, we engage with a range of stakeholders on an ongoing basis. These partnerships underpin our efforts to implement policies that substantially recognize and respect land rights and indigenous peoples' rights from the early project planning phase.

# Sustainable Supply Chain

## Strengthening Supply Chain Capabilities and Win-Win Cooperation

### Supplier Competency Building

**Global Partnership Center** Global Partnership Center (GPC) is helping suppliers enhance their competencies and competitiveness in the world's automotive industry based on the principle of “establishing a virtuous cycle in which Hyundai Motor Company and its suppliers can grow together.” In addition to providing training programs targeting tier-1-tier-2 suppliers, the Center provides training facilities and instructors to suppliers in need of their own training. It also offers 17 tracks and some 650 training programs in five categories – future competitiveness, global competency, leadership, nurturing automotive industry experts, and basic job training – for tier-1-tier-2 suppliers.

**Foundation of Korea Automotive Parts Industry Promotion** To assist automotive parts suppliers in enhancing overall capabilities for quality and technology management, we partner with the Foundation of Korea Automotive Parts Industry Promotion to provide programs covering on-site guidance and sector-specific training, contributing to improving quality and technological expertise and nurturing talent in the automotive parts industry.

**Management Consulting for Suppliers** Hyundai offers management consulting to suppliers, free of charge, through which we share professional experiences and know-how so that suppliers can strengthen their management capabilities in the areas of R&D, production, quality, logistics, cost, and management activities.

### Supplier Training in 2024

(Unit: No. of persons)

Classification	No. of Participants		Remarks
Foundation of Korea Automotive Parts Industry Promotion	Quality Academy	1,741	16 customized training courses
	General training, etc.	2,231	General management training, seminar, etc.
Global Partnership Center	Training by industry, etc.	84,552	650 courses
Total		88,524	

### Foundation of Korea Automotive Parts Industry Promotion's Field Trainings and Educational Projects

Field Trainings	Technical Training	Quality/technical training in the production field
	Management Consulting	Transfer of know-how by experts
Educational Projects	Quality Academy	16 courses designed to establish quality management system
	Quality Technology Seminar	Dissemination of best practices in technical guidance by industry
	General Training	Training courses designed for productivity innovation
	On-Site Training for Parts Suppliers	On-site training support through direct visits

**Technical Training for Suppliers** Hyundai provides technical training through the Foundation of Korea Automotive Parts Industry Promotion to help both metal suppliers (presses, heat treatments, welding, metal plating, forging) and non-metal suppliers (rubber, painting, electrical & electronics, IT) improve their parts quality and productivity. We anticipate these efforts will lead to improve suppliers' quality defects, reduce raw material purchase costs, and increase productivity.

### Technical Training (Quality and Technology Support Group)

Composition	Technical experts in various production areas
Duration & Frequency	3 to 12 months per year, providing customized support for quality and technical issues in the production field
Areas	Listening to supplier opinions on key quality/technology-related difficulties and supports improvements; and providing focused instruction on quality management system operation to improve suppliers' ability to respond to the Supplier-Quality Mark system

### Management Consulting (Management Innovation Support Group)

Composition	Industry-specific management specialist
Duration & Frequency	3 to 12 months per year, providing consulting on overall management free of charge
Areas	Providing consulting support on overall management, including R&D, production technology, quality control, planning, etc.

### No. of Suppliers Provided with Technical Training and Management Consulting

(Unit: No. of companies)


Classification	2022	2023	2024
Technical Training	102	108	192
Management Consulting	43	30	12

### Spreading and Disseminating Sustainability among Suppliers

**Win-Win Cooperation Letter** Hyundai produces the Win-Win Cooperation Letter to provide information on programs that we operate for win-win growth with suppliers and to share major policies and activities in the fields of occupational safety, information security, and sustainability management. The newsletter is issued every other month and distributed to all tier-1 suppliers through notices, the win-win growth portal, and the website of Hyundai Kia Automotive Suppliers Association.

 [Hyundai Win-Win Growth Portal](#)

### Key Supply Chain Sustainability Management Topics in the 2024 Newsletters

• Jun.	Updates on the EU Deforestation Regulation	
• Aug.	EU Corporate Sustainability Due Diligence Directive	
• Oct.	Laws banning the import of cobalt from the Democratic Republic of the Congo	
• Dec.	EU Forced Labour Regulation	

**Training and Support for Suppliers in Enhancing ESG Capabilities** We recognize the importance of robust human rights/environmental risk management at suppliers' workplaces as well as upstream supply chain management as a key pillar for building sustainable supply chains and promoting responsible procurement. This prompted us to provide ESG specialist training programs to key supplier personnel in charge of human rights and environment management. The training served to address regulatory trends relating to supply chains and human rights as well as key relevant concepts, along with detailed guidance on the indicators used in Hyundai's supply chain sustainability due diligence. By sharing best practices from other suppliers in managing human rights and environmental risks, such training helped participants reinforce their working-level response capabilities. To ensure our suppliers effectively navigate evolving global regulations, we organized briefings on key regulations governing disclosures and bans on forest conversion among others, offering guidance on appropriate countermeasures. We also shared our carbon neutrality approach to align our decarbonation efforts with those of our suppliers while continuously expanding partnerships to strengthen climate response capabilities throughout the supply chain.

### ESG Capacity Enhancement Training for Suppliers Provided in 2024

(unit: No. of companies)

Classification	Key Topic	No. of Participants (Suppliers)
ESG capability enhancement	ESG specialist training for suppliers <sup>1)</sup>	600
	Importance of ESG and cases of human rights and environmental risks	3,721 <sup>2)</sup>

1) Integrated count of online/offline courses, including duplicate personnel  
2) Tier-1 and Tier-2 suppliers attended

### Supplier ESG Seminars Organized in 2024

(Unit: No. of persons)

Classification	Key Topic	No. of Participants (Suppliers)
Response to global regulations	Appropriate disclosure measures by supplier size	525
	Measures to respond to the EU Deforestation Regulation	260

※ Includes duplicate personnel

# Sustainable Supply Chain

## Enhancing Quality Competitiveness

**5-Star System** Hyundai sets in place the “5-Star System” which quantitatively evaluates suppliers’ level of quality, technology, and delivery level to provide the evaluation results so that suppliers can set detailed improvement goals and achieve them. We provide incentives to 5-star-certified suppliers, such as giving priority for new car development. Through the 5-Star System, suppliers can expect such effects as curtailing quality control costs and developing independent export capabilities, in addition to enhancing their competitiveness in quality, technology, and delivery.

### 5-Star Evaluation Items

Quality 5-Star	Technology 5-Star	Delivery 5-Star
<ul style="list-style-type: none"><li>Quality management system</li><li>Defect rate</li><li>Claim reimbursement ratio</li><li>Quality management performance, etc.</li></ul>	<ul style="list-style-type: none"><li>Technology development personnel, investment</li><li>New technology development, patent</li><li>R&amp;D activity performance in the product development process</li></ul>	<ul style="list-style-type: none"><li>Production line stoppage cases, time, reimbursement ratio</li><li>A/S parts delivery rate</li><li>KD parts delivery rate</li></ul>

**Quality Evaluation of Tier-2-Tier-3 Suppliers(SQ Mark)** Hyundai operates the “Supplier-Quality Mark” program with an aim to identify professional business types that have a major impact on automotive parts quality and improve the quality of tier-2-tier-3 suppliers in the respective business areas. We evaluate tier-2-tier-3 suppliers based on process management activities, such as raw and subsidiary material inspection criteria, facility preservation and daily inspection activities, and creation and improvement of operation standards, as well as quality management activities, including finished product inspections, corrective measures, and continuous field improvements. The SQ Mark is provided to outstanding suppliers.

**Quality Education for Suppliers** Hyundai Motor Company provides quality training for its domestic tier-1 and tier-2 suppliers in order to enhance their quality competitiveness to a world-class level. The Global Partnership Center facilitates this through an online platform and group training, making quality education accessible to our partners. We cover all aspects of quality, including system establishment, technology, management, and assurance, and continuously support their efforts to improve their product quality management capabilities.

## 2024 Quality & Safety Training Programs (Suppliers)

Classification	Training Contents	No. of Suppliers	No. of Trainees	Frequency
Tier-1 and Tier-2 Suppliers	Quality technology training by area including painting, injection molding, heat treatment, machining, and electrical and electronics, quality management system development, quality assurance for electronic products, quality inspection practices, design quality management, etc.	4,641	8,536	Ongoing

\* Conducted training for all domestic suppliers (100% coverage)

**Supplier Quality Meeting** We hosted supplier quality seminars to strengthen suppliers’ quality competitiveness. The quality seminar organized in 2024 brought together tier-1 suppliers in Korea, sharing quality policies and strategies, key quality issues and their improvements, and supply chain quality management measures. We hold a monthly supplier quality meeting with representatives from our local suppliers at all our overseas plants. During these meetings, we share the best practices and address areas for improvement related to our delivery quality, monitoring the progress and effectiveness of the implemented measures. Additionally, we conduct bi-monthly seminars for the heads of the local subsidiaries of our suppliers that have advanced into international markets with us. These seminars focus on sharing trends and know-how related to quality improvement.

### Quality Seminar Organized for Domestic Suppliers in 2024

Content	Sharing quality policies and improvements made
Participants	Tier-1 suppliers in Korea
Frequency	Annual

### Supplier Quality Meetings Held at Overseas Production Subsidiaries in 2024

Content	Sharing quality-related trends and know-how
Participants	100% of suppliers that have advanced into international markets with Hyundai
Frequency	Once every other month

**Improving Quality and Technology of Tier-2-Tier-3 Suppliers** Hyundai has been making continued efforts to improve quality, technology, and productivity of tier-2 and tier-3 suppliers by dispatching experts with automobile-related expert skills and know-how to tier-2 and tier-3 suppliers.

**Guest Engineer System** Hyundai sets in place a guest engineer system, through which parts suppliers’ research staff in charge of design/evaluation take part in our new car development process. We provide a free office space where supplier researchers can stay, as well as the facilities, equipment, and test sites needed for parts performance evaluation. We also transfer our parts design and performance development know-how. Through new car parts design and performance development collaboration, Hyundai and suppliers anticipate raising parts and performance development efficiency, develop quality in advance, and nurture technical experts at suppliers.

## Improving Technology Development Capabilities

**R&D Technical Support for Suppliers** Hyundai runs a win-win growth program whereby it shares its R&D and technology development know-how with suppliers, and thus helps suppliers strengthen their capabilities in areas which need improvements. The supplier R&D technical support program consists of case studies and function/design concept training to enhance their quality mindset; customized technical support that conducts prior analysis of areas for R&D improvements and helps suppliers improve key pending matters; and R&D competency-building support that improves product development capabilities by using new technologies and methods. We look into supplier requests in the process of quality improvement, customized technology, and R&D capability-building support, and then reflect them in improving the technical support program. We also run consultative bodies and exchange meetings among suppliers in the same industry to continue mutual communication and cooperation.

**Sharing Technology Patents** Hyundai shares patent, free of charge, with suppliers, and transfers patents that suppliers need. When a supplier requests for a patent transfer, we conduct on-site investigations and consultations regarding the supplier’s major business areas; technologies that the supplier owns and is developing; supplier’s patents; and patent that the supplier hopes to be transferred. By having discussions with the supplier, we finalize the patent transfer and sign a patent agreement. We also hold New Technology Exhibitions after patent transfers to share information on cases of patent application to advance R&D and patent application to products.

**Building Smart Factories** Hyundai implements a smart factory-building project for SME tier-1-tier-2 suppliers. The project uses ICT to integrate the entire production process, ranging from product planning to sales, to produce customer-tailored products at minimal costs and time. A total of KRW 30 billion was contributed to the project from 2019 to 2024 to provide consulting and facility investments required for building a smart factory to some 980 suppliers so that they can switch to a smart factory. The smart factory-building project is categorized into different levels in consideration of the status of production facilities of tier-1-tier-2 suppliers. They include the basic level which enables partial standardization, data management, and real-time production information monitoring; mid-level which supports collected information-based control and optimization of decision-making through simulations; and advanced level where monitoring to control-optimization takes place autonomously.

**Protection of Suppliers’ Technology** Hyundai operates the technical material escrow system for safe storage of suppliers’ key technical materials and trade secrets, and proof of technology development in the event of leakage of a supplier’s key technology or a dispute. We develop technologies jointly with suppliers and then make patent applications together to prevent the possibility of infringement upon small- to mid-sized suppliers’ technologies and patents. We also strive to protect suppliers’ technology directory or indirectly by providing online patent education on patent application and patent search methods and helping them reduce their patent cost.



# Sustainable Supply Chain

## Strengthening a Foundation for Sustainable Growth

**Making Cash Payments and Adjusting Raw Material Prices**   Since 2006, Hyundai has been making payments in cash to MEs and SMEs with sales less than KRW 500 billion and in promissory notes (60 days) to large companies and MEs with sales more than KRW 500 billion. Also, we make payments on a weekly basis. For large companies, MEs, and SMEs that supply parts for exports, we make payments fully in cash once a month. In addition, to ease the burden on suppliers that is caused by raw material price increases, Hyundai absorbs the impact from raw material price changes. In case of steel plates and precious metal, we operate a system whereby we directly purchase the items at international prices and supply them to suppliers. In case of aluminum and plastics, we adjust payments made to suppliers according to international prices.

**Joint Entries into Overseas Markets and Support for Increased Exports**   Hyundai is jointly entering overseas markets with suppliers to support their continued growth and globalization. As of the end of 2024, we expanded to global markets with a total of 786 suppliers, including 360 tier-1 suppliers and 426 tier-2 suppliers, through which suppliers have harnessed opportunities to receive orders from overseas OEMs. To help Korean parts suppliers increase overseas exports, we are supporting the establishment of joint logistics and proof-of-origin systems. We identify difficulties experienced by suppliers in the export process and continue to explore activities that make actual improvements.

## Major Fund Support Programs for Suppliers

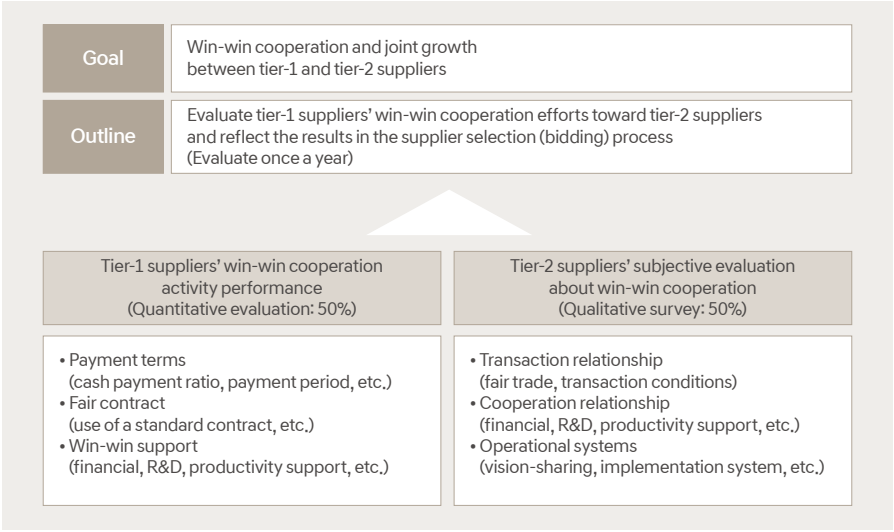
Future Growth Mutual Fund	Deposited KRW 37.4 billion, provided KRW 93.5 billion Provide investment funds at low interest rates for quality and productivity improvements of tier-1 and tier-2 suppliers (Industrial Bank of Korea)
Future Growth Win-Win Fund	Deposited KRW 150 billion, provided KRW 225 billion Provide investment funds at low interest rates for quality and productivity improvements of tier-1 and tier-2 suppliers (Hyundai Commercial)
Dedicated Loan for Tier-2 and Tier- 3 Suppliers	Deposited KRW 200 billion, provided KRW 200 billion <sup>1)</sup> Provide investment funds intended to improve the management environment of tier-2 and tier-3 suppliers and operating funds at low interest rates (Woori Bank, Shinhan Bank)
Business Diversification Support Fund	Deposited KRW 50 billion, provided KRW 100 billion Provide investment funds at low interest rates to support business diversification in response to the expansion of electrification among internal combustion engine parts suppliers (Hana Bank)
Raw Materials Price Indexing Support Fund	Deposited KRW 50 billion, provided KRW 100 billion Provide investment funds to tier-1 suppliers to extend the raw materials price indexing system to include tier-2 and tier-3 suppliers at low interest rates (Shinhan Bank)
Loan Interest Support Fund	Deposited KRW 100 billion, provided KRW 200 billion Provide investment funds to tier-1 and tier-2 suppliers to aid their liquidity due to interest rate increases at low interest rates (Hana Bank, Shinhan Bank)

1) A joint contribution from Hyundai Motor Company, Kia, and Hyundai Mobis

## Strengthening Partnerships for Win-Win Cooperation

**5-Star System for Win-Win Cooperation**   In our efforts to build win-win relationship between tier-1 suppliers and tier-2 suppliers and to establish a culture of win-win growth, we operate the “5-Star Win-win Cooperation” system, which evaluates tier-1 suppliers' win-win efforts toward tier-2 suppliers and reflects the results in the bidding process. We evaluate tier-1 suppliers' win-win activities toward tier-2 suppliers, and evaluation items include payment terms; including cash payment ratio and payment period; contractual fairness, such as use of a standard subcontract; and win-win support, including management fund, R&D, and productivity support. We also conduct qualitative evaluations on tier-2 suppliers' subjective evaluation about tier-1 suppliers' win-win activities. Survey items include transaction relationship, including fair trade and transaction conditions; cooperation relationship, such as for management fund, R&D, and productivity; and overall operations, such as vision-sharing and implementation system.

## 5-Star System for Win-Win Cooperation



**Highest Ranking in the Win-win Growth Index**   In 2024, we received the highest rating in the Win-win Growth Index, an annual evaluation of win-win growth levels among 200 major large corporations, organized by the Korea Commission for Corporate Partnership, for the fifth consecutive year. This index measures the level of cooperation between large and SMEs (small and medium-sized enterprises) through “the Fair Trade Agreement Evaluation” conducted by the Fair Trade Commission and “the Comprehensive Evaluation of Win-win Growth” conducted by the Korea Commission for Corporate Partnership. We received the highest rating based on a comprehensive evaluation of our performance in signing fair contracts, establishing systems to prevent and monitor violations of the laws, such as subcontracting, and operating the win-win cooperation support system. In addition, the evaluation considered the actual performance of the win-win growth system, based on a survey of SMEs.

**Partners Tech Day**   We hosted the R&D Partners Tech Day to award suppliers with outstanding technologies and share case studies of new technologies. This helps suppliers strengthen their technological capabilities while building sustainable supply chains and promoting win-win cooperation.



R&D Partners Tech Day

**Closer Networking with Suppliers**   Working closely with suppliers as a key stakeholder group within the supply chain, we share our strategies for managing human rights and environmental risks and fully integrate supplier feedback. This collaborative approach helps suppliers enhance their sustainability capabilities while fostering responsible business conduct across the supply chain. We organize Supplier Sustainability Council for domestic suppliers each quarter to familiarize them with our supply chain sustainability assessment and due diligence, available consulting support, and carbon emissions reduction programs. In 2024 alone, a total of 354 suppliers participated in these meetings. This also served to gather supplier grievances relating to human rights and environmental risks, enabling us to take proactive actions for support and improvement.

The Partnership Day, attended by domestic tier-1 suppliers, provided an opportunity to share updates on our supply chain compliance system and human rights risk identification strategies.

To strengthen partnerships with overseas suppliers, we hosted the Global Supplier Day, communicating our responsible minerals management strategy, supply chain sustainability due diligence scale-up policy, and their alignment with procurement strategies. The event served to jointly discuss GHG emissions reduction strategies and measures to reinforce LCAs (Life Cycle Assessment) and extend the scope of their application. The Global Supplier Day of 2024 was attended by 102 suppliers, driving our commitment to advancing sustainability throughout the global supply chain.

## Supplier Suggestions Relating to Supply Chain Human Rights/Environmental Risks Submitted through Supplier Sustainability Council

Classification	Supplier Suggestion	Hyundai's Response
Carbon emissions	Share Hyundai's plans to support suppliers in relation to carbon emissions verification and reduction	Hosted briefings to share Hyundai's carbon neutrality policies for tier-1 suppliers
Identification of supply chain human rights/ environmental risks	Provide guidance to suppliers for supply chain human rights/environmental risk due diligence	Provided detailed guidance through ESG specialist training programs for tier-1 suppliers
Regulatory trends	Request information on major countries enforcing regulations by supply chain regulation as well as on producing countries by regulated product	Shared regulatory trends through the Win-Win Cooperation Letter distributed to all suppliers

# Customer Experience Innovation

Driven by our quality philosophy to deliver ‘failure-free, zero-defect quality automobiles’, Hyundai stays at the forefront of developing advanced safety technologies with a focus on the potential and actual impacts of our products and services on consumers and end-users, keeping drivers, passengers, and pedestrians safe. Our early detection-early improvement-early action process spans from automotive development to after-sales service, preventing quality and safety issues from escalating further and advancing our quality and safety system throughout the lifecycle. We always heed the voice of customers and provide convenient services at every step of the automobile use lifecycle, doing our utmost to bring the best-possible ‘CAR LIFE’ to customers. We also engage in ethical marketing and greenwashing risk prevention to position Hyundai as a sustainable brand.

## Product Responsibility

### Product Quality Management

**Governance for Customer Safety and Quality**   Quality and safety lie at the very core of Hyundai’s value proposition as an uncompromising, non-negotiable top priority – past, present and future. To embody this value, we launched the Global Safety & Quality Office (GSQO) in 2024 as an integrated system overseeing both safety and quality. President Brian Latouf was appointed as the Global Chief Safety and Quality Officer (GCSQO), to pursue a fundamental paradigm shift in vehicle safety and quality management and enhance customer value. We remain committed to overseeing quality management policies throughout the entire process ranging from vehicle development to production and post-sales operations while driving internal process innovation, further making our organization more customer-centric.

We convene regular meetings to enable senior management to make decisions on quality issues. These quality meetings bring together over 13 functions (quality, R&D, global business management and others) to strengthen executive-level deliberation and cross-functional communication on the topic of quality. This, in turn, allows us to seek fundamental improvements on key quality issues and support swift decision-making on pressing quality issues, contributing to enhanced product quality.

**Establishing a Quality Management System**   Hyundai operates a quality management process for preemptive quality management of new car development, quality management of mass-produced vehicles, response to customer complaints, and quality assurance. We achieve systematic quality management by sharing quality risks, quality defects, and consumer complaints identified through our quality management system with all our business sites as well as our suppliers to develop improvement plans. Prior to mass production, the Pilot Center at the Namyang R&D Center measures and verifies quality, such as body strength and function, with a test vehicle, and we opened the Global Quality Control Center to inspect the quality of leading mass-produced vehicles from the customer’s point of view.

**Establishing an Integrated Quality Management System**   We have established a company-wide integrated quality management system to satisfy our customers’ diverse quality and safety requirements, while each of our production sites operates their own quality management system to promote thorough quality management in all processes, including automobile design, parts development, process operation, pre-mass production, and mass production. Moreover, regular internal audits are conducted to drive accountable quality control throughout the manufacturing process. Additionally, both domestic and overseas production sites have acquired ISO 9001 (quality management system) or automotive industry quality management system standard certifications based on it. We convert and update certifications in line with the conversion of quality management system standards.

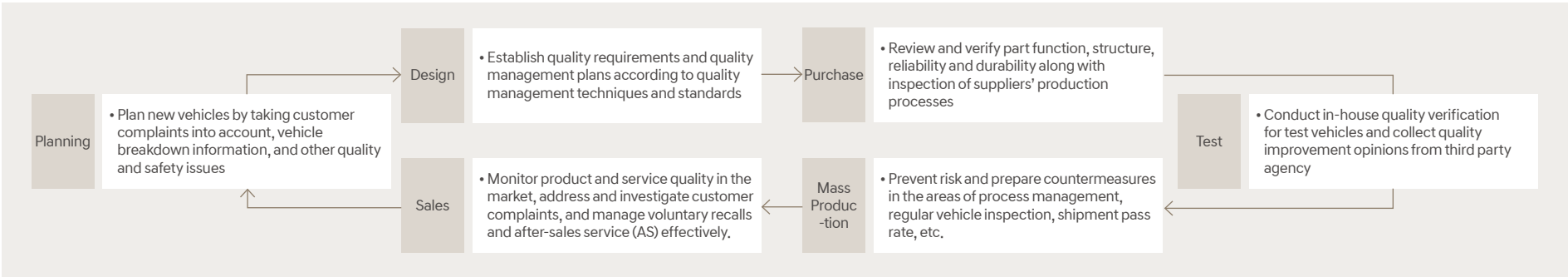
**Quality Management Techniques**   Hyundai has introduced and applied quality management techniques to strengthen its market competitiveness on the basis of “defect-free quality.” The techniques consist of “the best experts in each field(Man)”;; “optimal equipment (Machine)”;; “thorough verification(Measurement)”;; and “commitment to defect-free quality(Moral).” Based on the merits, we provide customers with the highest quality vehicles in all areas, including R&D, production, sales, and services.

**Quality Management Standards for Electrified Vehicles**   Hyundai has established quality management standards and criteria designed for each type of electrified vehicles, such as hybrid vehicles, EVs and FCEVs, in its efforts to actively respond to the global paradigm shift towards electrification. We manage our quality risks through continuous quality checks, case analyses, and improvement activities while continuously revising our quality management standards and criteria based on the data collected and analyzed.

Status of Quality Management System (ISO 9001) Certification



Quality Management Process



## Customer Experience Innovation

**Preemptive Management of Quality Risks** From the early stage of new vehicle development, such as vehicle design, Hyundai conducts pre-verification of parts suppliers and inspects the quality of our own production processes to eliminate quality risks and related production process impediments in advance. Based on product drawings, we inspect the function, structure, reliability, and durability of parts. We issue the final approval through the inspection of supplier processes, self-inspection of production processes, etc. In addition to our own verification of test vehicles, the test-drive opinions of customers and professional quality organizations are utilized as guidelines to identify major issues and carry out improvement activities in parallel. Moreover, Hyundai holds quality inspection meetings on a regular basis, and reports the quality risk assessment results and taken measures to the highest level of management on the verge of new car models' mass production.

**Prevention of Mass Production Quality Risks** When a quality risk is detected from information acquired through statistical process controls, periodic inspections, and shipment pass rates, we conduct joint investigations and take necessary countermeasures for quality improvement. Also, in order to prevent quality risks from occurring in the vehicle production process, we take thorough preventive measures, such as suppliers' process management, assessment of quality prevention activities, validation of quality inspection equipment, and reliability testing of parts. We have established a control tower devoted to the management of vehicle quality risks in the production process.

**Strengthening Quality Verification Capabilities** We enhance our verification capabilities throughout our quality value chain by regularly conducting training on roles and major tasks in the areas of premanufacturing quality, manufacturing quality, and market quality. Each course includes not only basic theoretical education but also practical and experience-oriented education if necessary. Furthermore, we offer expert courses on quality verification in collaboration with external educational institutions to verify new technologies following the transition to electrification and to strengthen the verification of quality issues from the customer's point of view.

### 2024 Outcomes of Quality & Safety Training Program Implementation (Employees)

Quality-related Training	Target	Type / Cycle	No. of Trainees
Preventing customer safety accident together	Company-wide all full-time employees	Learning materials available 24/7	1,803
Quality Academy	All full-time employees in the Quality Division	Group training (24 sessions per year)	482

\* While learning materials available 24/7 primarily target full-time employees, they are also accessible to contract workers

**Drum for Safety** To further enhance customer safety, we operate Drum for Safety as our internal whistleblowing channel open for all employees. This mechanism was designed to swiftly identify and remedy any issues relating to wide-ranging risks (injuries, accidents, and fires among others) that could potentially compromise customer safety, and is operated with full anonymity to protect whistleblowers from any disadvantages. If a submitted concern is deemed in need of detailed investigation after review, this is classified as a 'potential safety and quality issue' and addressed through appropriate follow-up actions. The outcomes of such review and actions taken are disclosed to raise awareness on customer safety. Since its launching in August 2021, Drum for Safety received 536 cases on a cumulative basis as of January 2025, of which 95% were fully resolved with 19 cases currently under review.

### Drum for Safety



### Vehicle Safety Assessment

**Crash Safety Assessment** Hyundai responds to more complex types of accidents by utilizing actual accident data disclosed by the NHTSA (National Highway Traffic Safety Administration), traffic accident data by country, a variety of information provided by the company's after-sales service network in Korea and quality divisions in our research, which is reflected in the product development process. As a result of these studies, in 2019, we developed the world's first "multi-collision airbag" to prevent secondary accidents. In addition, we have 170 sets of 27 types of manikins (dummies) that take over the role of occupants in real vehicle crash tests. This is the largest in the industry, enabling us to precisely measure even minute injuries in a variety of collision situations, contributing greatly to improving passenger safety performance. For your reference, when Hyundai develops a new vehicle model, it invests an average of 4,000 hours in evaluation and testing and KRW 10 billion in costs to ensure the highest level of crash safety.

**EV Safety Test** Hyundai prioritizes EV safety and performance above all, and continues investing in innovative technology development. Our EVs deliver outstanding driving range and efficient charging performance to cater to diverse customer needs, and receive excellent ratings in crash safety tests. Such stellar performance has been verified time and again by numerous third-party organizations. The IONQ 5 and IONIQ 6 were named the World Car of the Year in 2022 and 2023 respectively for their top-notch performance and quality. These models also achieved the most prestigious designation of the TSP+ (Top Safety Pick +) in IIHS crash safety tests and the highest rating of five stars from the Euro NCAP in recognition of their exceptional crash safety. These accolades enable Hyundai to cement its leadership position across global EV markets. Looking ahead, we will deliver even safer and reliable EVs through continuous R&D efforts, driving progress towards the sustainable future of mobility.

<div>Crash test site of Hyundai Motor Group (Safety Test Building at the Namyang R&amp;D Center)</div> <div></div>			
Scale	Test building	40,000 m <sup>2</sup>	Collision test site
			2,900 m <sup>2</sup>
No. of crash tests	650 times per year		
Performance	Maximum speed	100 km/h	Maximum weight
			5 tons



## Customer Experience Innovation

**2024 New Car Assessment Program (NCAP)** Every year, Hyundai undergoes safety evaluations by leading vehicle safety organizations in major regions. Under the New Car Assessment Program (NCAP), nearly 20 models, including Santa Fe, IONIQ 5, Palisade, and Tucson, achieved the highest rating of five stars in Korea, Europe, the US, and India among others. These models also performed exceptional well in the crash tests conducted by the US Insurance Institute for Highway Safety (IIHS), and 16 Hyundai models earned the Top Safety Pick (TSP) and above designations.

### Winners of the 2024 NCAP

Region	5-star (top rating)	Ratio <sup>1)</sup>	Models Rated
Korea	Santa Fe	50%	2 models in total
Europe	Santa Fe	50%	
U.S.	IONIQ 5, PALISADE, Santa Cruz etc, total 23 vehicles	76.7%	30 models in total
Australia	Santa Fe	50%	2 models in total
India	Tucson	100%	1 model

1) Number of vehicle models rated by the NCAP with a 5-star (top rating) divided by the total number of vehicle models rated by the Program. The NCAP assessment does not cover all new models released by each brand every year. The ratio represents the percentage of vehicle models rated 5-star (highest rating) out of models randomly chosen by NCAP for evaluation.

### Quality Assurance and Management

Hyundai has expanded the scope of its quality assurance and management from quality control and vehicle development and production to include after-sales customer safety and protection.

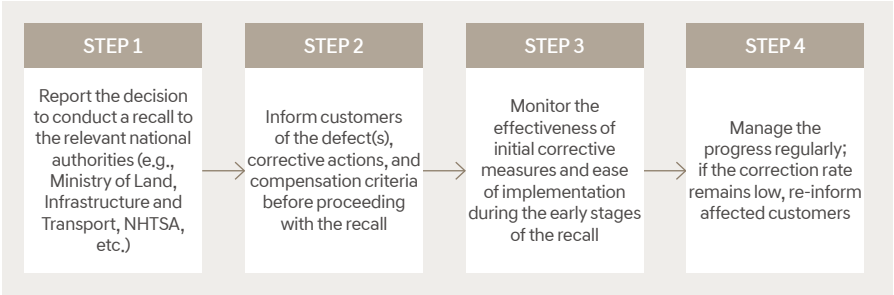
**Warranty for Free Repairs** Hyundai applies the free repair warranty period in consideration of the average life cycle and durability of each type of vehicle such as passenger cars, SUVs, and commercial vehicles (trucks and buses). In particular, we expand the sustainability of eco-friendly vehicles by extending the warranty period for engines and main power transmission parts applied to hybrids, EVs and FCEVs. (For passenger cars and SUVs: 3 years/60,000 km for body and general parts, 5 years/100,000 km for engine and powertrain parts, 10 years/200,000 km for HEV, and 10 years/160,000 km for EV/FCEV.)<sup>1)</sup> Regarding older high-emitting models, we strive to minimize their air pollutant emissions with guarantees for catalyst devices, electric control devices, and other exhaust gas parts.<sup>2)</sup>

1) For passenger cars and SUVs; for details including commercial vehicles (trucks and buses), please refer to the our official website.  
2) For details on the warranty period for emission-related parts and special warranty vehicles, please refer to the website.

**Voluntary Recalls and the Recall Prevention Council** Hyundai voluntarily implements vehicle recalls to preemptively protect customers. When we identify a manufacturing defect likely to cause accidents through our constant monitoring of customer complaints, we determine a vehicle recall and inform our customers of the defect, corrective actions, and compensation such as free service. In addition, warranty provisions are set aside as a way to proactively manage our financial risks caused by recalls and quality assurance.

The Recall Prevention Council, bringing together R&D, procurement, quality and production management departments together under the leadership of the KASO & QA Divisions, convenes monthly meetings attended by division heads and executives. These meetings serve to comprehensively review the causes of recalls and the progress achieved in making improvements while sharing area-specific recall prevention activities and consulting on process, system, and program improvement plans.

### Voluntary Recall Implementation Process



### Voluntary Recall Status

(Unit: 10,000 units, KRW million)

Classification	2021	2022	2023년	2024
No. of recalled vehicles	272	389	548	308
Costs of recalls	1,442,300	320,900	485,173	511,012

### Warranty Provisions

(Unit: KRW million)

Classification	2021	2022	2023	2024
Provision warranty balance at the beginning of the period	8,514,173	9,048,185	10,399,527	9,121,153
Warranty costs NHTSA during the period	2,551,716	3,133,544	3,442,626	3,229,923

**AI-based Quality Control** Hyundai operates smart factories using AI and big data to create the best products. We collect and analyze external information as well as data from all our systems in the factory, such as product quality management, production facilities, and logistics. Then, we turn it into big data so that AI can operate the factories based on the information. We increase the accuracy and efficiency of our production processes by securing accurate data and eliminating unnecessary processes. The Hyundai Mobility Global Innovation Center in Singapore (HMGICS) completed in November 2023 serves as our testbed developing and validating intelligent manufacturing platforms powered by AI, IoT and other advanced technologies, further expediting our journey towards the E-FOREST, a fully-developed smart factory ecosystem.

**Response to Quality VOCs** Hyundai continues to promote business innovation based on voice of customers (VOCs) to establish a company-wide customer complaint response system. In addition, we operate the VOC Improvement Council participated by the Quality Division and R&D Center, and other related divisions, to diversify quality improvement agendas and respond to urgent VOCs in our efforts to focus on quality improvement based on customer opinions. We operate a variety of techniques and systems to connect, integrate, and analyze VOC data while communicating customer complaints to each service center for improvement measures. As an extension of our efforts to prioritize customer safety and satisfaction, we reflect and manage the quality index, which is linked to the number of claims that occur within three months of customer use after vehicle sales, as 5% of the CEO's KPI.

## Key Case of Quality VoC Response



### Deciding to conduct a voluntary recall on two Genesis models

In September 2024, Hyundai initiated a voluntary recall prior to customer complaints to address an issue affecting cclC (connected car Integrated Cockpit)\* software that was uncovered through internal assessments. This issue was found in GV60 and GV80 models whose RVM (Rear View Monitor) video stopped functioning when the vehicle reversed at speeds exceeding 10km/h. The failure occurred under specific conditions before and after the cclC booted, and was traced to an error in the rear view video display software logic. While no customer concerns were raised, we recognized this as a safety issue that may affect rear visibility, and decided to take a preemptive and active market action by voluntarily recalling a total of 1,845 GV60 and GV80 cars for their cclC software updates. We are also working to make software designs more robust and reinforce test cases, improving our validation process to prevent similar issues from occurring.

\*cclC (connected car Integrated Cockpit): An infotainment platform integrating the cluster, navigation, and head-up display into one single control unit

# Customer Experience Innovation

## Maximizing Customer Satisfaction

### Services Boosting Customer Satisfaction

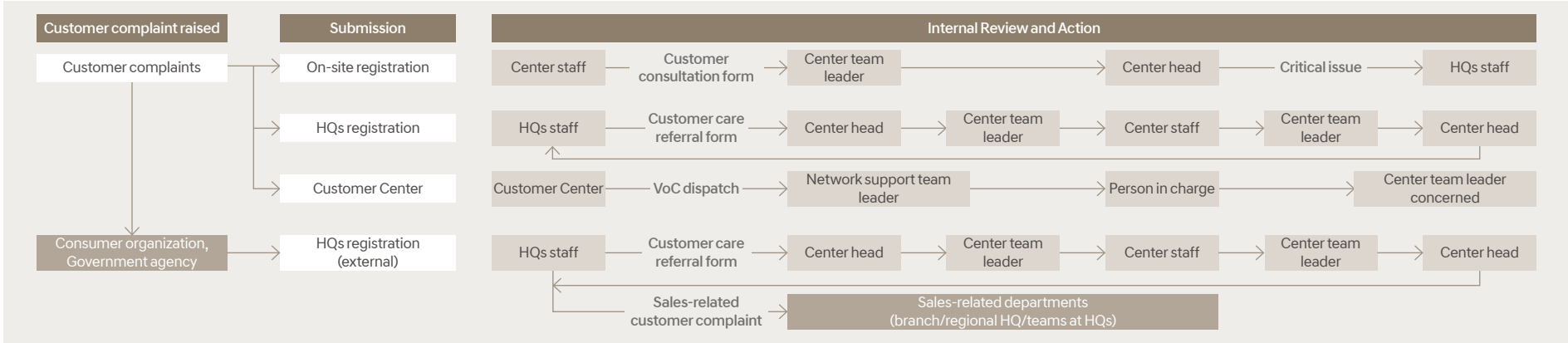
**Customer Service Standard Guide**   Hyundai produces and distributes the “Customer Service Standard Guide” based on customer experience in the process of purchasing and maintaining vehicles. This guide distinctly presents the direction of individual customer service and focuses on the key response elements for each customer contact point so that customers can receive uniform and excellent service. In addition, overseas regional headquarters and sales subsidiaries have established customer service strategic directions to carry out customer response activities that comprehensively consider the market characteristics and customer expectations of each region.

**Reinforcing Customer Service Capabilities**   Hyundai sets in place a “service convergence education system” to strengthen the CS capabilities of its employees in customer contact channels such as vehicle sales and service. In the ICT-based CS learning environment, our employees receive training related to customer service skills along with knowledge of vehicles. Most notably, Hyundai improves the company’s customer service capabilities by disseminating specific and practical customer service solutions called “CS Way” to the business sites. Moreover, we introduce service trends and ways to improve Bluehands CS to those representatives who operate Hyundai’s official service suppliers “Bluehands” while sharing best practices in customer service and customized service plans according to various situations as part of training to improve customer service capabilities.

#### CS Training Programs in 2024

Training Programs	Completed by
Customer communication skills	4,646 persons
Leadership development and decision-making	113 persons
Advanced training on customer service situations	85 persons

#### Customer Compensation and Dispute Resolution Process



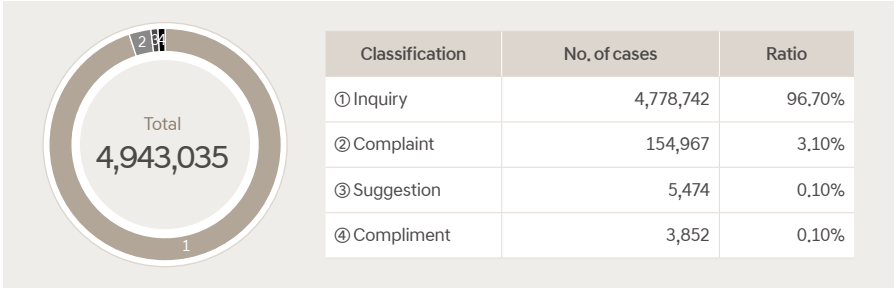
**Integrating VoC into Business Operations**   We value the voice of customers (VOC) as a critical pillar of our business conduct, and this bases our efforts to improve service quality and products. Systematically collecting and analyzing varying ideas and feedback from customers, we place them as the highest priority in driving improvement in service and product quality. In this vein, we are thoroughly delving into the substantial amount of VoC data gathered in 2024 in relation to product quality, CCS and services.

We take a data-driven approach to swiftly and effectively tackling all customer issues, maximizing customer satisfaction in the process. This systemic approach underpins our efforts to earn customer trust and foster sustained relationships. Hyundai remains committed to heeding the voice of customers and delivering more innovative and customer-centered services in so doing.

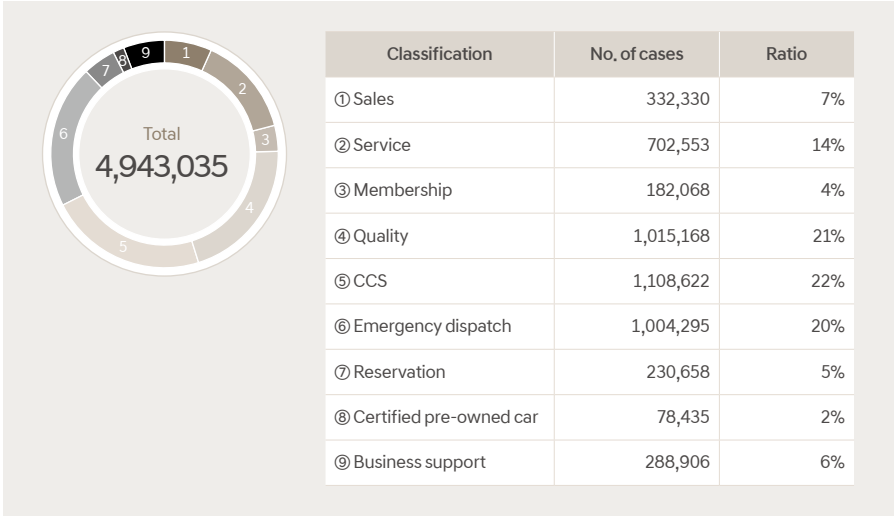
**Customer Compensation and Dispute Resolution**   Hyundai is actively engaged in compensating customers and resolving disputes. Customers can report complaints and damages through on-site reception, headquarters reception, and customer centers, most of which are staffed by employees at high-tech centers nationwide, who manage the entire process from consultation to offering compensation and making payments. Hyundai provides compensation in the form of services, in-kind contributions, and cash for the full amount of verifiable losses, including direct (vehicle repair costs) and indirect losses (such as property damage and personal injury), if the cause of the damage is attributable to Hyundai’s negligence concerning quality, systems, or response.

Depending on the importance of the case, we also collaborate with the Customer Care Management Division at the headquarters to ensure the smooth resolution of complaints. In particular, we monitor the status of lawsuits, long-term non-delivery, and unresolved cases arising from customer complaints in real time. The customer service department receives updates on the status of long-term outstanding cases from each center and provides closure support through the headquarters’ representative. For litigation cases, such as those involving fires and vehicle accidents, we consult with our legal team, research institutes, and Quality Division in order to prepare technical data and establish litigation response plans. In cases involving persistent quality complaints, we collaborate with the Quality Division in conducting joint investigations and helping to establish customer response plans.

#### VoC Filings in 2024



#### 2024 VoCs by Type



## Customer Experience Innovation

**Service Locations and Brand** Hyundai does its utmost to ensure that customers can enjoy the best “CAR-LIFE” anytime, anywhere through a service base that instills trust and confidence in its customers. We have strengthened our after-sales service accessibility by establishing 1,200 Bluehands, official service suppliers nationwide, in addition to the numerous directly-run high-tech service centers. To cater to the continued rise in the number of EV customers, we have expanded our service network to include over 1,000 Bluehands locations supporting EV repairs and over 110 Bluehands locations capable of servicing hydrogen-powered EVs.

Bluehands	<ul style="list-style-type: none"><li>Hyundai’s official service suppliers</li><li>This network of Hyundai’s official service suppliers is dedicated to improving the environment for the safety and convenience of customers, as well as providing services closest to customers</li></ul>
Bluemembers	<ul style="list-style-type: none"><li>Services for Hyundai vehicle owners</li><li>Launched in 2007, these services for Hyundai vehicle owners provide various members-specific programs as well as vehicle management services to support customers’ fun and convenient CAR-LIFE</li></ul>
Bluelink	<ul style="list-style-type: none"><li>Hyundai Connected Car Service</li><li>Hyundai’s connected car service taps into the latest IT and communication technology to provide remote control, safety security, vehicle management, and navigation services</li></ul>

**All Care Service** Our All Care service program offers an at-a-glance view of the wide range of services available for customers’ vehicle management and safety. To enhance our customers’ car ownership experience, this program includes convenient doorstep car wash and hand car wash services, the Genesis Airport Service and EV-only services. Our EV-exclusive services include Pick-up and Charge, which provides vehicle pick-up and charging, as well as automated car wash and delivery. We also offer EV Worry-free Care, which encompasses doorstep fast charging, glass cleaning, and vehicle check-ups, along with the Lucky Pass H subscription-based charging service. In terms of Car Care, we provide warranty plans and relevant services, including additional support for car repairs in the event of an accident and scheduled check-up services. Our warranty plans inform customers of their warranty coverage by vehicle and parts and are customizable. Additional services cover Body Care Service, Warranty Plus, and EV Plus Care. Our preventive check-up services include Blue Worry-free Check-up, Doorstep Auto Care, and Doorstep Before Service. For emergency situations, we offer Emergency Roadside Service, Doorstep Charging Service, Emergency Delivery for Hydrogen Cars, Home-to-Home Service, Over-servicing Prevention Program, and Customer Vehicle Support Service.

• **Over-servicing Prevention Program** Our over-servicing prevention program aims to earn greater customer trust and enhance our service competitiveness. Customers of Bluehands, Hyundai’ s official service network, may report suspected cases of excessive maintenance and request an investigation through our customer center. Based on the findings of the investigation led by third-party insurers, customers may receive compensation ranging from 100 to 1,000% of the overcharged amount , up to a maximum of KRW 10 million.

• **EV Life Integrated Care Program** To provide more attentive care for EV customers, we launched the EV Every Care Program in 2024, taking care of our EV customers at every step of their EV experience journey from purchase to resale. Upon purchase, our EV customers are eligible for benefits including charging credits or home charger installation depending on their residential conditions and charging infrastructure. During the ownership phase, these customers are supported with extended warranty coverage, body care services, and new vehicle exchange to help ease their concerns over any potential issues. Pick-up and Charge and Doorstep Charging are just some of the varied services that we provide for customer convenience and emergency situations. Regular inspections are also performed to ensure safe driving for customers. Such efforts contribute to progressing towards sustainability management goals and delivering elevated customer experience at Hyundai.

**Global Customer Service Optimization** Hyundai aims to create differentiated customer experiences in sync with key emerging technologies and trends throughout the entire after-sales service process. To deliver optimized customer services in each country, the Headquarters supports overseas sales subsidiaries and dealerships in setting their strategic course for customer service. In 2024, we sharpened our service competitive edge with the help of our global taskforce team responsible for reviewing and upgrading our service capabilities across respective major overseas markets. We will also implement tailored strategies holistically taking into account market-specific conditions and customer expectations, strengthening our global customer management on an on-going basis.

**Capacity Building Training for Global Dealers** To support capacity building of our global dealers interacting directly with consumers and end-users, we provide their employees with relevant training. This targets 5,300 Hyundai global dealer locations, including sales staff and service advisors dealing with customers along with auto mechanics. In 2024, this training was structured into sales training and passenger car technical training. A total of 105 courses were established and provided, covering cross-functional courses for basic brand knowledge and customer services as well as role-specific special training.

**Launching ‘my Hyundai’ as Our Global One App** In November 2024, we unveiled ‘my Hyundai’ by integrating the existing my Hyundai, Bluelink, and Digital Key (1.0) apps into a single united platform. This new app supports a variety of features, including remote vehicle control, charging status check, vehicle monitoring, and maintenance/car wash service booking. As a centralized point of contact, this allows customers to easily manage their vehicle and access related information, making it even more convenient for customers to use vehicle services.

**Supporting the Mobility-Disadvantaged through Shucle (Mobility Service)** We leverage ‘Shucle’, our demand responsive mobility service, to promote mobility rights for transport-disadvantaged individuals. ‘DDOKBUS’, currently under operation on Daebudo Island as a form of Demand Response Transit (DRT), was designed to support seniors, pregnant women, children and other mobility-challenged individuals through the deployment of special-purpose Solati vehicles equipped with wheelchair lifts.

### Hyundai’s All Care Services (passenger car)<sup>1)</sup>

CAR LIFE	Car Care		
Convenient CAR LIFE Services	Warranty Plans and Service Offerings	Prevention and Inspection	Emergency and Repair
<div><div><div>CAR LIFE services</div><div><ul style="list-style-type: none"><li><b>Car wash</b> Nationwide car wash service booking</li><li><b>Airport Service</b> Inspection and maintenance, and vehicle storage in dedicated parking lots for traveling customers</li></ul></div></div><div><div><div>EV-only services (Hyundai EV charging solution)</div><div><ul style="list-style-type: none"><li><b>Pick-up and Charge</b> Car pick-up-charging-delivery + automated wash (optional)</li><li><b>EV Worry-free Car</b> Fast charging (20kWh), glass cleaning, inspection</li><li><b>Lucky Pass H</b> Charging subscription</li></ul></div></div></div></div>	<div><div><div>Repair Warranty Plans</div><div>Repair within warranty periods by vehicle type/parts</div></div><div><div><div>Consumables replacement service</div><div>Customizable warranty plans</div></div><div>Set warranty coverage for body and general parts to suit one’s lifestyle needs</div></div><div><div><div>Additional service offerings</div><div><ul style="list-style-type: none"><li><b>Body Care</b> Cover exterior damage caused by single-vehicle accidents, including dent repair, painting, and part replacement, for up to 1 year from new vehicle delivery (or within 20,000 km of driving)</li><li><b>Warranty Plus</b> Extend warranty coverage for additional contract periods/distances traveled</li><li><b>EV Plus Care</b> Provide Body Care and Warranty Plus services at reasonable prices</li></ul></div></div></div></div>	<div><div><div>Blue Worry-free Inspection</div><div>Provide inspection services to Bluemembers owning Hyundai cars in Korea (8 years for commercial cars (1/year), 10 years for EVs (1/year), 3 years for commercial cars (7 inspections in total))</div></div><div><div><div>Doorstep Auto Care Service</div><div>Visit the customer’s preferred location and replace engine oil sets (required) and consumables (optional)</div></div><div><div><div>Doorstep Before Service</div><div>Visit the customers’ preferred location to provide basic vehicle check-ups and maintenance counseling</div></div></div></div></div>	<div><div><div>Emergency Roadside Service</div><div>Dispatch and provide emergency assistance when driving is unfeasible due to vehicle breakdown</div></div><div><div><div>Doorstep Charging Service</div><div>Provide Bluemembers with emergency charging services at no cost</div></div><div><div><div>Emergency Delivery for Hydrogen-powered Vehicles</div><div>Provide towing services in case of vehicle issues, including battery discharge or fuel depletion</div></div><div><div><div>Home-to-Home Service</div><div>Pick-up the vehicle from the customer’s location, perform repairs, and return it</div></div><div><div><div>Over-servicing Prevention Program</div><div>In cases of suspected excessive maintenance at Bluehands, launch an insurer-led investigation and provide compensation when the claim is substantiated</div></div><div><div><div>Customer Vehicle Support Service</div><div>Provide customers whose car is undergoing warranty repairs with a replacement vehicle</div></div></div></div></div></div></div></div>

1) Based on services available in Korea, and service details may vary by country



# Customer Experience Innovation

## Sustainable Brand

### Brand Management

**Brand Management System**   Hyundai Brand Home, a global portal to manage Hyundai's brands, supports the effective operation of its brand strategy, brand architecture, and brand images. The brand strategy guides the company-wide brand direction for consistent external communication, while the brand architecture defines the brand and trademark system as well as its way of use for Hyundai's vehicles, technologies, and services. In order to manage our brand image, we develop and distribute design guidelines to set specific examples for how to visually implement our brand. In addition, we are conducting global brand monitoring activities through which we regularly inspect the application and utilization status of our brand and trademark images, thereby ensuring that our brand strategy, architecture and guidelines are properly used in the field.

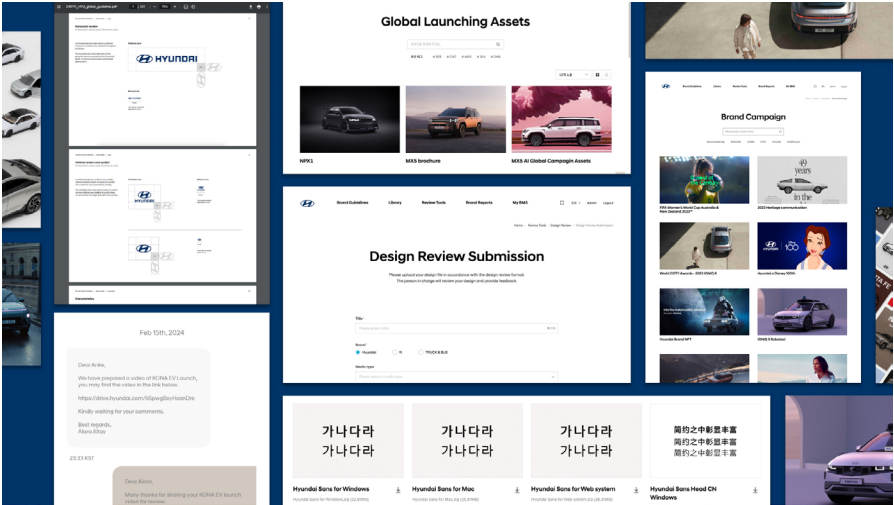
**Brand Tracking Study**   We conduct a Brand Tracking Study (BTS) to check customers' brand awareness, purchase intention, satisfaction, etc. based on price, performance, quality, and eco-friendliness for each brand. Most notably, in terms of brand preference, we examine not only the reliability, competitiveness, service, and affordability of our brands, but also their eco-friendliness, social responsibility, and authenticity factors.

The BTS covers our electrification brands, capturing customers' purchase intent, brand awareness, preference, and such attributes as innovation, convenience, and eco-friendliness. This also helps assess the perceived market value of Hyundai-branded vehicles from the viewpoint of customers, offering a clear understanding of our brands' competitive position in the market. The BTS results are used as base input for developing brand strategies at the sales region level, and are fully incorporated in our marketing operations by identifying effective customer communication messages.

**Analysis of Brand Tracking Study Results**   Through a brand tracking study, we identify reasons why customers do not prefer our brands, the reasons for dissatisfaction at each stage of the customer experience journey, and negative experiences in online and offline channels. Based on the results, we identify and redefine the attributes that a brand should have to improve customer perception while seeking ways to manage content and improve sales channel operation in an effort to innovate customer experience.

### Brand Tracking Study Items

Price	• Customer acceptance of Hyundai vehicle prices compared to competitors' (based on a price perception survey)
Performance	• Score analysis of durability and advanced technology among others (based on the market average of 100 points)
Quality	• Score analysis of warranty level, after-sales service quality, reliability, etc. (based on the market average of 100 points)
Brand	• Score analysis of brand reputation, authenticity, tradition, awareness, etc. (based on the market average of 100 points)
Sustainability	• Score analysis of eco-friendliness, social responsibility, mobility vision, innovativeness, prospects, etc. (based on the market average of 100 points) • Separate analysis of the impact of eco-friendly vehicle models on aided awareness, brand perception, etc.



Hyundai Brand Home

### Ethical Marketing

**Advertising & Marketing Ethics Declaration**   Hyundai announced its “Advertising & Marketing Ethics Declaration” to induce customers to make the right decision to purchase products and services and to create a healthy advertising and marketing environment. The declaration sets forth such fundamental principles as communicating accurate product and service information to customers, avoiding unfair comparisons against competitors or their products and services, and refraining from advertising or marketing activities that do not provide adequate protection for information-disadvantaged groups. This also affirms our promise to meet relevant requirements when making statements on the eco-friendliness of our products and services.



**Labeling of Product Environment and Safety Information**   Hyundai transparently discloses not only product environmental information such as vehicle fuel efficiency and emissions generated throughout the entire vehicle manufacturing process, but also safety-related information such as seat belts, occupant detection systems, and car seat attachment devices. We strictly prohibit the dissemination of false, exaggerated, or understated information on the environmental and social impacts of our products and services while striving to ensure the right to know of our customers by labeling relevant information.

### Product Information Labeling in Major Markets

Korea	Product	Vehicle self-certification information (type and model of car, vehicle identification number, vehicle weight, year of production, tire, etc.)	Europe	Product	ID labeling, E-marks certifying various items (lights, safety belts, horn, mirrors, glass, etc.)
	Environ-ment	Fuel efficiency labeling, exhaust gas warning labeling		Environ-ment	Information on diesel exhaust smoke, battery recycling, fuel, and, refrigerants
	Safety	Airbag warning labeling, etc.		Safety	ISOFIX CRS anchor labeling, speed limit for temporary spare tires, airbag warning labeling, etc.
China	Product	ID labeling, vehicle identification number (VW/screen), anti-theft warning labeling	North America	Product	Manufacturer's suggested retail price (MSRP) labeling
	Environ-ment	Fuel efficiency labeling		Environ-ment	VECI labeling(Vehicle Emission Control Information), refrigerant labeling
	Safety	CCC labeling <sup>1)</sup> , CRS(Child Restraint System), airbag warning labeling		Safety	Tire pressure information labeling, safety certification labeling, airbag warning labeling

1) CCC(China Compulsory Certification)

# Customer Experience Innovation

## Preventing Greenwashing

**Establishing a Greenwashing Risk Review Process** To stay ahead of the tightening global ESG laws and regulations, we reviewed our environmental labeling and advertising practices and established a risk review process accordingly to prevent greenwashing. This stock-taking review was conducted in January 2024 on nearly 20 domestic departments involved in marketing and advertising in line with the Korean Ministry of Environment's guidelines. Out of the 260 cases reviewed, 32% of them were identified as having potential risk, and corrective actions were taken subsequently.

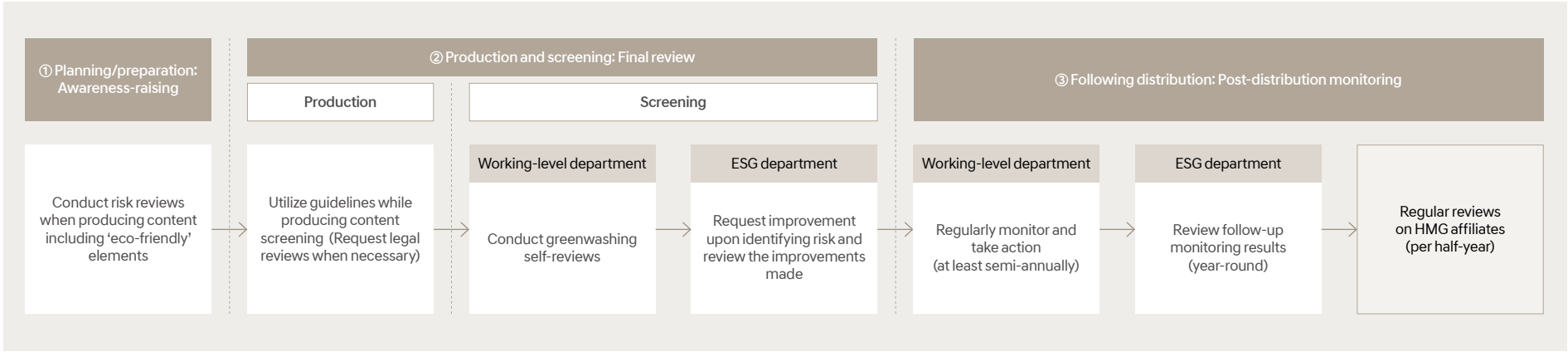
To elevate employees' awareness on greenwashing which had remained relatively low, we provided four sessions of on/offline training to team leaders and working-level staff. In the second half of the year, reviews were conducted on 422 posts across 35 overseas locations using the self-checklist upgraded by referring to relevant laws and cases from eight countries including Korea, the US, and the EU. This eventually resulted in the publication of the global greenwashing guidelines for the entire Hyundai Motor Group.

In particular, Hyundai Motor Company plans to establish a proactive review process to prevent greenwashing risk throughout the whole process ranging from planning of labeling and advertising to their production, screening and distribution, along with regular post-distribution monitoring. This will support our continued efforts to prevent greenwashing-induced management risk and communicate clear and accurate sustainability management information to our stakeholders.

## Hyundai Motor Group's Code of Conduct for Greenwashing Prevention: 6 Principles to Keep in Mind in the Initial Planning Phase

1	Refrain from using unsubstantiated broad terms	<ul style="list-style-type: none"><li>• Claims that should be avoided: Broad terms such as “eco-friendly” or “guarantee of sustainability” should not be used without clear grounds.</li><li>• Suggestion of alternatives: Increase accuracy by explaining specific environmental benefits instead of using broad expressions</li></ul>
2	Provide specific plans and evidence for carbon neutrality claims	<ul style="list-style-type: none"><li>• Claims that should be avoided: Terms such as “carbon neutrality” or “net zero” must be backed by specific implementation plans and verifiable evidence</li><li>• Suggestion of alternatives: Present annual net zero implementation plans or carbon credit usage plans in parallel</li></ul>
3	Avoid misleading comparative expressions and certifications	<ul style="list-style-type: none"><li>• Claims that should be avoided: Claims of being “more eco-friendly than other companies” or “best eco-friendly quality” should not be used.</li><li>• Suggestion of alternatives: Use expressions such as “certified to reduce emissions by 30% compared to Product A”</li></ul>
4	Use quantitative data and specific terms	<ul style="list-style-type: none"><li>• Claims that should be avoided: Statements such as “reducing water consumption” or “using less energy” should be avoided.</li><li>• Suggestion of alternatives: Provide detailed information such as “This product's manufacturing process consumed 20% less water compared to previous models”</li></ul>
5	Specify specific percentages when referring to recycled materials	<ul style="list-style-type: none"><li>• Claims that should be avoided: Statements such as “products made of recycled materials “ can be misleading and should be avoided. Suggestion of alternatives: Specify the exact percentage of recycled raw materials used, such as “The fabric of this product sheet contains 30% PET-recycled materials”</li></ul>
6	Do not represent legal obligations as voluntary activities	<ul style="list-style-type: none"><li>• Claims that should be avoided: Statements such as “We will produce EVs only from 2035 onwards” are inappropriate.</li><li>• Suggestion of alternatives: Clearly distinguish between legally required compliance and voluntary initiatives</li></ul>

## Greenwashing Risk Review Process



\*This process is based on the Hyundai Headquarters in Korea. Overseas business sites are implementing their own review process established in accordance with country-specific regulations and market conditions.

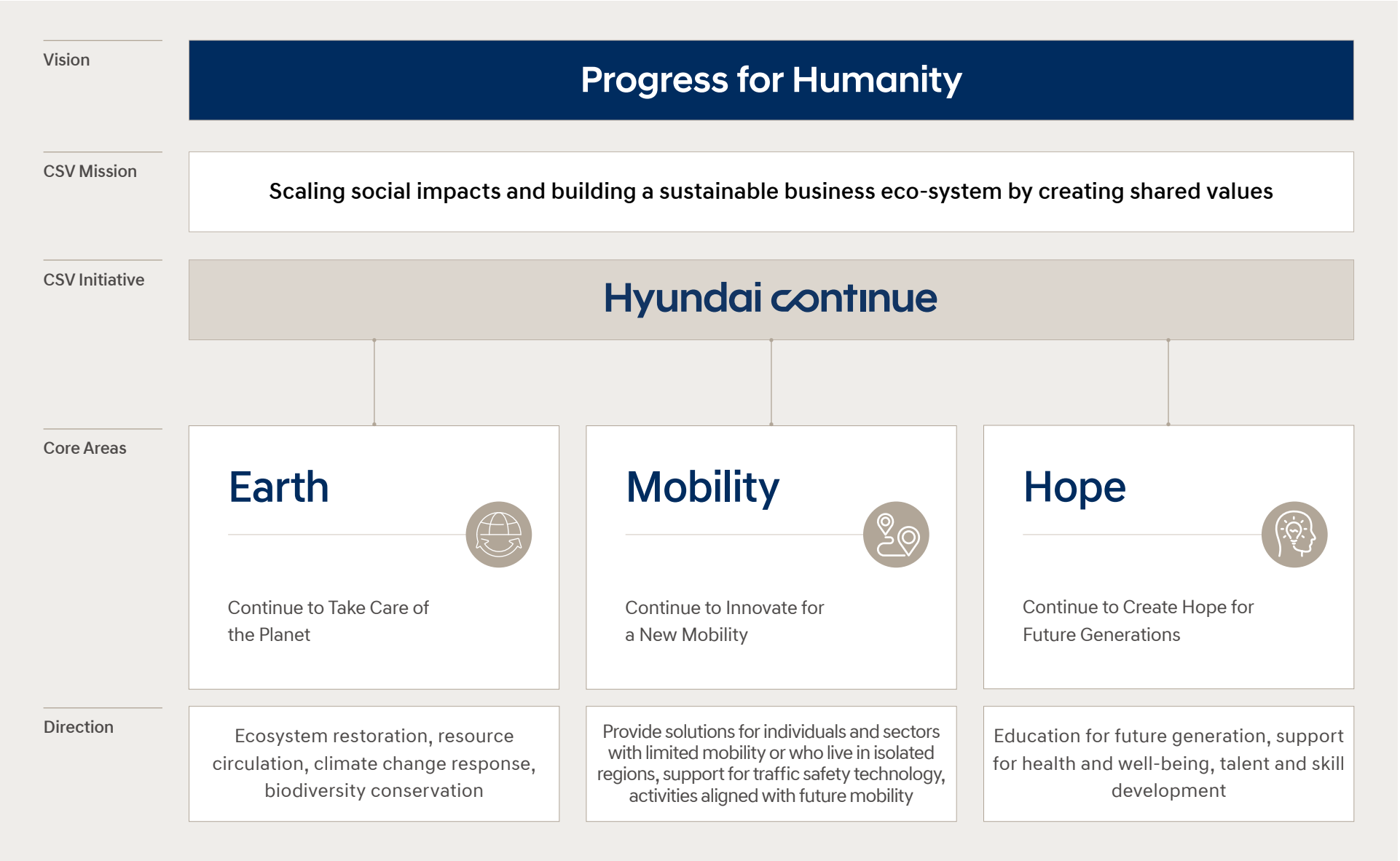
# CSV Initiative

## CSV Implementation System

CSV Implementation System

Implementing CSV Strategy   In 2024, Hyundai continued to promote its global creating shared value (CSV) initiative for sustainability management, Hyundai Continue, which was announced in 2022. Under “Hyundai Continue,” which focuses on three areas of Earth, Mobility, and Hope, we are implementing various activities globally.

CSV Strategy System



# CSV Initiative

## CSV Project

### Waste Collection and Upcycling

#### Preserving Marine Ecosystems

To help preserve marine ecosystems, Hyundai has been collecting and upcycling marine waste in Europe, Korea, and the US since 2021. In partnership with the foundation Healthy Seas, we are working to restore marine ecosystems by collecting discarded fishing nets, which pose a significant threat to marine life. The collected nets are then transformed by the fiber producer Aquafil into a nylon fiber called ECONYL®, which is utilized as a floor mat material in the IONIQ 5 and IONIQ 6 vehicles sold in Europe.

Through activities such as environmental cleanup and upcycling of collected waste, we are building a resource circulation infrastructure in collaboration with various organizations and venture companies.

2024 Key Achievements

We supported a total of 24 marine waste collection and education activities across eight countries, including those in Europe, Korea, and the United States, collecting approximately 172 tons of marine debris. Of this, about 63 tons were abandoned fishing nets. A total of 107 volunteer divers participated in these activities.

Future Plans

We plan to continue marine waste collection activities to help clean the ocean, while expanding the infrastructure for collecting abandoned fishing nets and increasing the production of eco-friendly materials through various business partnerships.



#### Improving Environmental Issues of Local Communities

To help Indonesia tackle environmental challenges, we have been engaging in waste plastic collection and upcycling since August 2022. As part of this effort, we provide environmental education on the topics of climate and the circular economy across 20 middle and high schools and four child-friendly integrated public spaces in Jakarta. In 2024, a total of 1,968 children received such education, raising their environmental awareness as a result. Meanwhile, we installed used plastic collection bins throughout the region to encourage community participation in waste sorting and recycling. Currently, 71 collection bins are in operation recovering 12 tons of waste plastic each year. We plan to increase the number of these bins to over 100 by the first half of 2025. We have also established and are operating a waste recycling center in Bekasi to support the local community in reducing waste disposal and turn waste into valuable resources, contributing to fostering a local circular economy.

2024 Key Achievements

The used plastic collection bins we operated in Jakarta helped recover over 12 tons of waste plastic in 2024. We also conducted 6 sessions of environmental education and 98 sessions of peer-to-peer education, empowering 1,968 children to recognize the importance of environmental protection.

Future Plans

In addition to waste plastic collection efforts, we also engage in awareness-raising initiatives such as environmental education and child-led campaigns, helping to embed waste collection into the daily routine of local communities. Expanding the installation of used plastic collection bins and ensuring their continued operation, we will take the lead in public-private partnerships and contribute to building a circular economy.



### IONIQ Forest

Hyundai has been promoting the IONIQ Forest project since 2016 across 13 countries including the US, Brazil, Germany, Türkiye, the Philippines and India with the aim of creating eco-friendly forests around the world. In 2024, we signed an MoU with the Korea Arboreta and Gardens Institute and Tree Planet to promote the sustainable restoration of forest ecosystems. Harnessing the 'IONIQ Drone Station', forest management vehicles based on the IONIQ 5 and IONIQ 9, we aim to support research efforts for ecosystem restoration more effectively. As part of the IONIQ Forest project in Türkiye, our employees volunteered for forestation alongside scholarship students. Globally, our IONIQ Forest project has led to the planting of over 900,000 trees as of 2024.

We will continue to collaborate with global partners to carry out a variety of eco-friendly initiatives- such as tree planting and restoring areas damaged by wildfires-to support a sustainable future for both people and the planet.

2024 Key Achievements

We signed an MoU with the Korea Arboreta and Gardens Institute to promote the sustainable restoration of forest ecosystems, and will actively deploy the IONIQ Drone Station for ecosystem restoration. Across the US, Germany, Saudi Arabia, and the Philippines, we planted more than 400,000 trees in 2024 alone.

Future Plans

We aim to plant around 2 million trees globally between 2025 and 2035. We plan to contribute to the restoration of local ecosystems by rehabilitating forests damaged by wildfires in countries such as Korea and the United States, and by creating new forests in the Maharashtra, India. We also plan to build the IONIQ 9 Drone Station to help with seedball planting.





# CSV Initiative

## ‘Charge Live’ Campaign Using the ACR for EV Charging

Hyundai Motor Company leverages robotics technology to lead the way in improving mobility for individuals with mobility challenges such as wheelchair users and pregnant women, helping them overcome mobility barriers. Our Robotics LAB has developed the Automatic Charging Robot (ACR) to make EV charging infrastructure more accessible and convenient for users with mobility difficulties. The ACR communicates with the vehicle to open the charging port door, accurately recognizes the port's position, and autonomously connects and disconnects the charging cable, automating the entire charging process. During charging, the ACR can dynamically adjust its position to ensure the safety of the vehicle. By applying deep learning-based 3D pose estimation technology, the ACR minimizes charging port recognition errors to within 2mm. It is also built for environmental durability in mind, capable of operating under extreme conditions, including temperatures ranging from -20°C to 40°C and humidity levels exceeding 90%. Featuring IP65-rated waterproof and dustproof technology, the ACR is designed to deliver optimal performance in a wide variety of outdoor environments.

Hyundai Motor Company's ‘Charge Live’ campaign provides individuals with mobility challenges with the opportunity to experience barrier-free mobility. The participants were able to experience firsthand the ACR system installed at Saebil E-pit charging stations during the campaign period. This campaign marks a significant milestone in Hyundai Motor Company's journey towards achieving its vision of ‘Progress for Humanity’, enabling barrier-free mobility and meaningful social connections for individuals with mobility challenges. Looking ahead, we will remain committed to delivering sustainable mobility solutions through the commercialization of the ACR and other innovative technologies.



**2024 Key Achievements**   In June 2024, we provided 93 teams—each with up to four members—with travel expenses, IONIQ 5 rentals, and the opportunity to experience ACR charging, supporting comfortable electric vehicle journeys in Jeju regardless of the weather. Over the course of 48 days, these teams used ACR automatic charging a total of 100 times. Participants were highly satisfied with the campaign, giving it a satisfaction score of 4.95 out of 5.

**Future Plans**   We are focused on continuous research efforts to improve the performance and safety of the ACR with a goal of bringing this technology to market. Our commitment will surely maximize convenience for individuals with mobility challenges and build EV charging infrastructure readily accessible to a broader range of users.



## Supporting People with Limited Mobility through Shucle Mobility Service

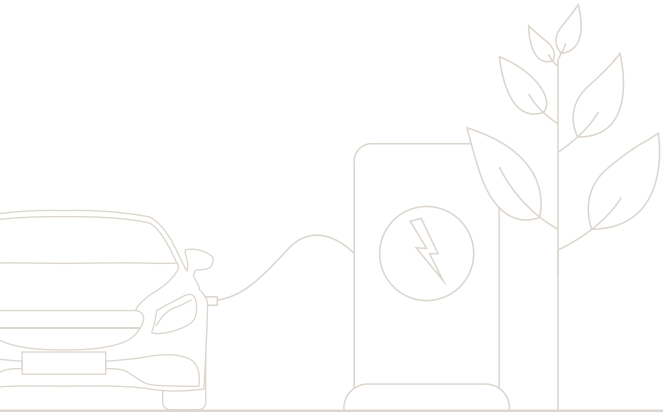
We provide a demand-responsive mobility service named ‘Shucle’ to promote the right to mobility for transport-disadvantaged individuals. In July 2023, Hyundai signed an MoU with Ansan City, Gyeonggi Transportation Corporation, Gyeongwon Passengers, and the Citizens’ Alliance for Safe Living to support the mobility for people with limited mobility, and has since supported the operation of DDOKBUS as a Demand-Responsive Transit (DRT) mobility service on Daebu Island.

DDOKBUS operates services in Daebu Island specifically for people with limited access to transportation such as the elderly, pregnant women, and children. Passengers can request a ride through the “DDOKTA” mobile application, by phone, or by using kiosks installed at major facilities. To enhance accessibility, we donated two specially equipped Solati vehicles that accommodate wheelchairs, and provided support for using the DDOKTA platform. DDOKTA is a customized mobility platform for Gyeonggi Province, developed based on “Shucle,” an AI-powered demand-responsive transit service. When users enter their departure and destination points, vehicles are dispatched in real time, taking into account current demand and traffic conditions, allowing for convenient and flexible transportation.

We are leading efforts to enhance mobility for transport-vulnerable individuals through the use of technology, and we will continue to actively leverage various mobility innovations to make everyday transportation more accessible and convenient.

**2024 Key Achievements**   We contributed to enhancing mobility convenience by delivering services that leverage Hyundai Motor Company's technology to support individuals with mobility challenges. Over the past one year, these services were used 5,609 times by seniors and people with disabilities and 7,774 times by teenagers who are not yet able to drive on a cumulative basis.

**Future Plans**   While continuing our project supporting individuals with mobility challenges on Daebu Island, we aim to provide 30 vehicles to support the right to mobility in underserved areas in alignment with the Korean National Police's program encouraging elderly drivers to voluntarily return their driver's license. We plan to expand our support by supplying eight vehicles in four areas in the first half of 2025.





# CSV Initiative



## Hyundai Hope on Wheels

### Hyundai Hope on Wheels

‘Hope on Wheels’ is Hyundai Motor America’s flagship social contribution initiative which has been ongoing for the past 26 years since 1998. This initiative began in the 1990s, when Hyundai partnered with its dealers in New England to raise funds for pediatric cancer research and support the Jimmy Fund at the Dana-Farber Cancer Institute. This has since been endorsed by Hyundai dealers nationwide and has grown to become the third-largest pediatric cancer foundation in the United States. A set amount is donated for every Hyundai car sold, and this is matched by the additional donations made by the company. The funds raised as such go to advancing pediatric cancer research and treatment, helping young cancer patients return to everyday life, and raising awareness on pediatric cancer.

In 2024, we partnered with our dealers in our fight against pediatric cancer beyond the US and expanded to Australia and Korea. In 2025, we are rolling out this initiative across the globe on the strength of our partnerships we have forged with our dealer network. Hyundai Motor Company is fully committed to supporting pediatric cancer treatment and research and to further fostering an inclusive society where future generations can dream a brighter tomorrow.



**2024 Key Achievements** In the US, we donated USD 26 million to pediatric cancer research and patient support in celebration of Hyundai Hope on Wheel’s 26th anniversary. Since its launch, this initiative has supported over 1,300 programs and research projects at more than 175 hospitals and research institutes, reaching USD 250 million in cumulative donations. Taking the first step to roll out this program worldwide, we extended support to young cancer patients in Australia and Korea in alignment with Hope on Wheels.

**Future Plans** In 2025, we will focus on globalizing this initiative and launch new programs for pediatric cancer patients in Canada, Mexico and Brazil. In addition to providing financial support for the treatment of pediatric cancer, we will continue with our efforts to sponsor therapeutic research and raise awareness on pediatric cancer.

## Mobility Education

### Future Mobility School

In 2016, Hyundai signed an MoU with the Korean Ministry of Education to launch the Future Mobility School, a free-semester career education program for elementary and middle school students. The program provides opportunities for students to better understand the mobility industry and explore related careers through both theoretical and experiential learning and practical hands-on activities. The program offers high-quality teaching materials and education kits covering topics such as smart cities, clean energy, future mobility technologies, and sustainability. When selecting applicants, it includes small-sized schools such as rural schools, special education schools, and alternative schools to reduce inequality in career education opportunities. In collaboration with the UNESCO Asia-Pacific Centre of Education for International Understanding (APCEIU), the program was extended to include various ASEAN countries, including Indonesia, Malaysia, and Cambodia, thus reaching even more students.

**2024 Key Achievements** In 2024, we provided this program to 330 elementary and middle schools in Korea and 12 schools overseas. In particular, we supported educational exchange with ASEAN countries and extended the scope of this program to include Thailand in partnership with the UNESCO Asia-Pacific Center of Education for International Understanding and the Ministry of Education.

**Future Plans** We plan to continue nurturing future mobility talent by providing children across various regions with new experiences and equal access to learning opportunities.



### H-Mobility Class

Since 2021, Hyundai has been running the H-Mobility Class, a talent nurturing program for undergraduate and graduate students in science and engineering in Korea. The H-Mobility Class includes basic and advanced training on four courses: power train, electrification, energy solution, and autonomous driving, which are strategic technologies for the future. The advanced training features offline practice to help students internalize their learning and develop practical skills.

**2024 Key Achievements** In 2024, 1,600 students participated in the H-Mobility Class, and its learning courses were renewed to improve learner engagement and program effectiveness. In recognition of our contribution to fostering R&D talent in the future mobility sector since launching this program in 2021, we were honored with the Youth-friendly, ESG-conscious Employer Award by the Korea Employers Federation.

**Future Plans** In 2025, we plan to upgrade this program by refining the design of practice courses and incorporating the latest trends to help students reinforce their technical capabilities. As a global mobility leader, we will commit to systematically supporting and nurturing talented individuals, expanding the talent pool in the mobility sector in so doing.



# Information Security and Privacy Protection

## Information Security

### Information Security Framework

We are committed to establishing an advanced information security system which is essential to transitioning to the smart mobility paradigm. Our dedicated security organization enables us to build a response system and engage in monitoring against hacking threats and data leaks that may arise in the course of business conduct. In 2022, we were certified to the Cyber Security Management System(CSMS) in Europe. Our security policy applies to all internal employees and is reviewed on an annual basis, and a wide array of preventive security activities are undertaken, including security policy training, security newsletters, Security Day campaigns, and malicious email drills. We have established information security-related business continuity plans and test them biannually. The tests are conducted through biannual mock drills, with the scope and methods adjusted between the first and second half of the year to enhance effectiveness. Any deficiencies identified in the first-half drill are addressed and reflected in the second-half drill.

### Information Security Vulnerability Analysis

To ensure the secure development and operation of our business systems, we have established and operate a security review process for our IT systems. Through this process, we manage potential vulnerabilities and continuously update our security guidelines in line with advancements in IT technologies. In particular, we conduct regular simulated hacker attacks through external professional firms to assess both the likelihood of real-world attacks and the effectiveness of our response systems. In 2024, simulated hacker attacks were carried out on major internal and external systems, including key IT systems, and we are continuously implementing improvement measures for the identified security vulnerabilities. Furthermore, we have maintained the ISO 27001 certification since 2006, demonstrating our commitment to comprehensive information security management. In addition, we have obtained the ISMS certification which verifies our integrated information protection management system.

### Key Information Security Activities

- 1

Deploy security professionals to overseas entities and expand security inspections
- 2

Enhance security threat response through advanced security monitoring systems and internal penetration testing
- 3

Specify in the Information Security Incident Response Guidelines that at least one simulation drill must be conducted annually to ensure prompt response to security incidents
- 4

Provide phishing email training and malware infection prevention education to employees at least once a year
- 5

Distribute a security newsletter at least once a month to all employees and host an annual Employee Security Day

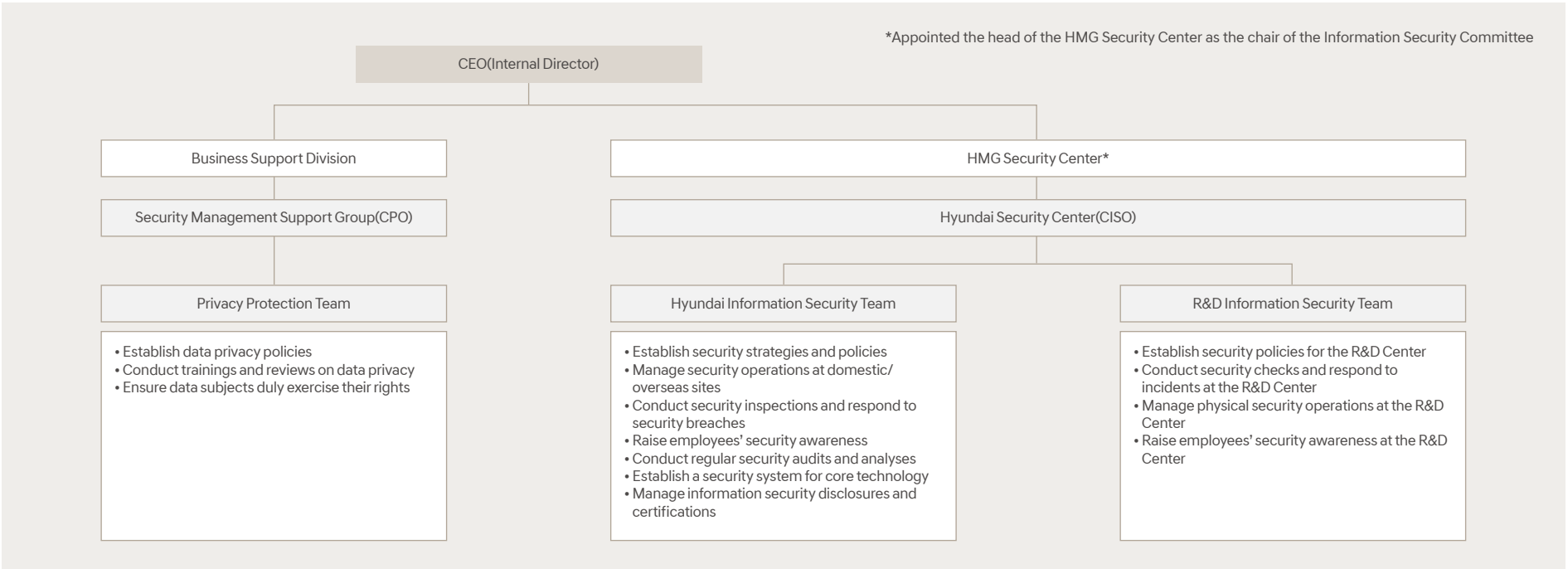
### Structure and Role of the Information Security Organization

To ensure the systemic and effective implementation of information security activities, we operate a dedicated organization for information security and data privacy. The Chief Information Security Officer(CISO) is also appointed to head the Hyundai Security Center and the Chief Privacy Officer(CPO) serves as the head of the Security Management Support Group. Specific information security activities include establishing information security policies, developing security systems, reviewing security vulnerabilities for internal and external services on an ongoing basis, managing overseas security operations, and conducting internal annual audits on the operation of the information security management system.

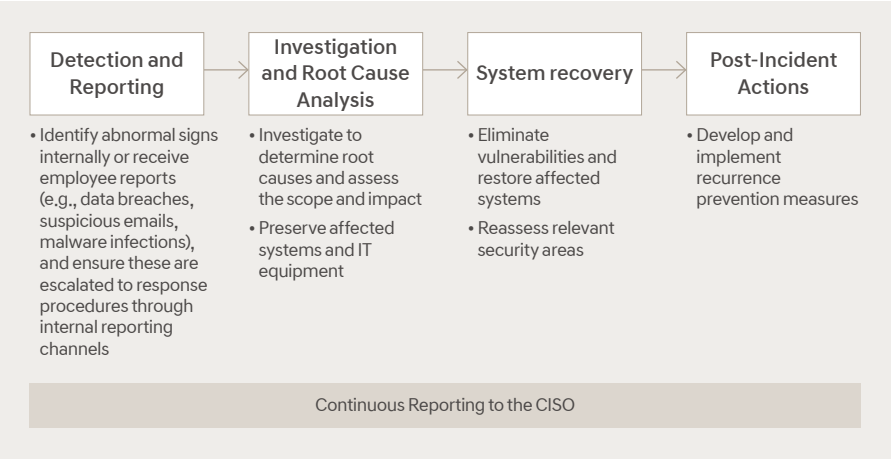
### Information Security Committee

The Information Security Committee, led by top management, is convened regularly as the company's highest decision-making body on information security matters. Executives from key departments — including HR, audit, legal affairs, R&D, and plant security — participate in the committee to review and approve major corporate security agendas twice a year.

### Information Security Organization



### Security Incident Handling Process



# Information Security and Privacy Protection

## Privacy Protection

### Data Privacy Governance

Hyundai establishes and operates a data privacy management system to ensure compliance with data privacy laws and other pertinent regulations. We formally appoint the Chief Privacy Officer (CPO, the Head of the Security Management Support Group) and a dedicated team (Privacy Protection Team) to oversee data privacy operations. In addition, the Privacy Protection Council convenes at least once a year, together with relevant service departments, to discuss internal and external trends and key issues. Any personal data required for the provision and improvement of Hyundai's products and services is collected, used, and disclosed strictly within the scope to which customers have explicitly consented, following the opt-in principle. Customers may also suspend processing of their data or withdraw their consent (opt-out) at any time. We transparently disclose our Privacy Policy through the Privacy Center to make them accessible 24/7 by customers. In 2024, there were zero cases of secondary use of personal data beyond the purposes of collection, use, and provision as disclosed to data subjects in our privacy policy.

 [Hyundai Motor Company Privacy Policy](#)

### Organizational Measures for Privacy Protection

We take a range of administrative measures to ensure the safe use of personal data. These include establishing and implementing data privacy policies and guides and raising awareness on data privacy through regular training provided to all employees and outsourced data handling service providers. We also assess our data processing operations and monitor data misuse or abuse while seeking immediate improvements when potential vulnerabilities are identified. In addition, we operate a process to assess the impact on privacy protection and identify potential risks from the early design stage when developing or modifying personal data processing services and systems, in order to minimize possible threats.

### Technical Measures for Privacy Protection

We implement wide-ranging technical measures to prevent data breaches and leaks. Access to our personal data processing system is limited to the minimum necessary to protect such data from the risk of leakage or exposure, and personal data transmission paths and critical data such as personally identifiable information are encrypted to render them unusable even in the event of external attacks. We install security solutions and deploy their latest version including anti-virus software and intrusion blocking/detection systems, and maintain continuous monitoring to build preparedness against hacking and other external attacks. Besides, we are adopting and implementing protection measures as required by data privacy laws and information security certification standards.

### Ensuring Data Subject Rights

We operate the Privacy Center to protect the rights of data subjects, and this also allows us to transparently disclose our Privacy Policy and regularly keep them up to date. Customers or their legal representatives may reach us through the My Page section of our website/app or via our customer center to exercise their rights at any given time, including accessing, correcting, deleting or suspending the handling of their personal data. Unless there is any legitimate reason, we immediately cater to such customer requests.

### Internal Inspection and Third-Party Audits of the Privacy Policy Compliance

To comply with the Personal Information Protection Act and our internal regulations, we conduct internal and external inspections and self-assessments of the management of personal information by the entities entrusted with protecting personal information. Since 2020, we have obtained and maintained the Information Security Management System (ISMS) certification for our major services and systems, such as the customer website and the connected car service, and we have also been recognized by various global certification bodies for maintaining the international information protection management system (ISO/IEC 27001) certification for over ten years. Additionally, we undergo regular inspections as required by the relevant laws, such as the Personal Information Protection Commission's unique identification information survey and the Korea Communications Commission's location information provider survey, and implement improvements based on the results.