

Fair Compensation Policy

Article 1 (Objective)

Hyundai E&C shall not only establish the Fair Compensation Policy to implement Sustainability in all countries and regions where Hyundai E&C operates its businesses, but shall also prevent regulatory risks that may emerge in the process of business operation and perform corporate activities based on trust from customers and the public.

Article 2 (Policy)

Hyundai E&C complies with the highest level of regulations in all kinds of business activities. Hyundai E&C will comply with the laws and regulations related to labor and wages in all our places of businesses around the world. Hyundai E&C practices the principle of fair compensation, that is, a compensation principle that provides employees with equal pay that they can live with. In relation to this, we shall strictly comply with the following.

- 1) Guarantee of living wage: Hyundai E&C complies with the principle of paying a living wage, which is necessary for the basic livelihood of its employees and their families in all countries in which it operates.
- 2) Market-based compensation: Hyundai E&C provides fair compensation according to the level of skill, education and experience of its employees, and sets it to meet or exceed market-based industry standards.
- 3) Equal compensation compliance: Based on the principle of equal compensation, Hyundai E&C provides equal compensation to its employees who provide equal work without discrimination based on gender, race, ethnicity, nationality, religion, disability, age, family status, social status and political opinion.
- 4) Information provision and consultation: Hyundai E&C transparently discloses sufficient information regarding performance evaluation and compensation system to its employees, and conducts appropriate compensation-related consultations through collective bargaining.

Article 3 (Scope of application)

- 1) The scope of this policy shall include all employees of Hyundai E&C's domestic and overseas business sites, as well as employees of Hyundai E&C's domestic and foreign corporations, branches, subsidiaries and sub-subsidiaries, and partners (including joint ventures).
- 2) Compliance with the principles of fair compensation is one of the key factors in Hyundai E&C's businesses. All partners, subcontractors and suppliers that maintain business relationships with the company are required to comply with the laws and regulations related to labor and wages in a strict manner.

Article 4 (Assessment)

Hyundai E&C evaluates whether employees, contractors, suppliers and partners at domestic and overseas business sites actually comply with fair living wage payments and strives to spread it within the value chain. In this regard, the evaluation is carried out according to the following evaluation methodology.

- 1) Domestic Evaluation Methodology: Hyundai E&C evaluates the living wage level in Korea based on the annual living wage determination disclosure provided by the country and city.
- 2) Overseas Evaluation Methodology: To evaluate the living wage level in overseas regions, Hyundai E&C applies the evaluation methodology of the Fair Wage Network, a global organization related to living wage, to conduct the evaluation.

Article 5 (Report)

Hyundai E&C will faithfully report the status of compliance with living wage payment to internal and external stakeholders, and will follow the principle more thoroughly to prevent any violations.