

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind HD Hyundai Construction Equipment North America Inc.

Date

5/29/2024

Signature



Name

Seongbae Park

Title

President

Entity

HD Hyundai Construction Equipment North America Inc.

Report

***The steps the entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity**

In order to prevent and reduce the risk of forced labour or child labour being used at any step of importing and selling goods in Canada, aside from taking the actions checked in the questionnaire, as a wholly owned subsidiary of HD Hyundai Construction Equipment Co., Ltd (“HCE”), in Korea, a member of the UN Global Compact, HD Hyundai Construction Equipment North America (“HCE-NA”) supports the Ten Principles of the UNGC on human rights, labor, environment, and anti-corruption. We comply with the International Bill of Human Rights and the declarations of the International Labor Organization (ILO) and respect the human rights of not only our employees but also our stakeholders, including suppliers, dealers, and end customers. We do not tolerate inappropriate language or behavior such as abusive language, violence, and sexual harassment that violates the spirit of harmony, both within the company and in our relationships with business partners. When a matter related to human rights violations occurs, prompt action will be taken in accordance with the regulations, led by the Human Resources Committee. We are providing education to prevent any kind of forced labour or child labour, and foster human rights awareness.

*** Its structure, activities and supply chains**

HCE-NA, an Illinois corporation established with the purpose to promote and distribute the products of the parent company in the North American region, is a wholly owned subsidiary of HCE in Korea, a global construction equipment manufacturer. HCE is under the umbrella of HD Hyundai group of companies.

HCE-NA operates from a North American headquarters based in Norcross, Georgia, and partners with over 170 dealer locations across the US and Canada, offering a full line of construction equipment from excavators, wheel loaders, compact construction equipment, and specialty equipment. HCE-NA currently employs 120 full-time and part-time employees in the United States, and 3 agents in Canada on a contract basis to support the sales and service activities of the Canadian dealers. It holds no asset or entity in Canada. For the avoidance of doubt, HCE-NA maintains its relationship with the 3 agents in Canada as an independent contractor.

HCE-NA follows the Supplier Code of Conduct set up by the parent company to identify and mitigate potential ESG risks within the supply chain. Furthermore, specific supply chain ESG management policies have been developed to ensure the implementation of these guidelines. The scope of the supply chain ESG management policy encompasses ethics, environment, labor, human rights, safety and health, and management systems, as defined by the Supplier Code of Conduct. This policy applies to all suppliers and their subcontractors who have entered into contracts to supply HCE with products, services or engage in other transactions. The supply chain ESG management policy is based on global standards such as the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, ILO Core Conventions, and other international benchmarks.

***Its policies and due diligence processes in relation to forced labour and child labour**

HCE-NA rejects all forms of human rights violations in our business operations whether direct or indirect, and also ensures to establish a governance system that interwinds and connects the board of directors and relevant organizations on a

regular basis. In addition, HCE-NA implements a robust Human Rights Management Code to underpin the key values and principles which stipulates our human rights policy, operation of human rights management committee, human rights impact assessment, and remedial action for any human rights violations. Additionally, HCE-NA implements a Due Diligence Questionnaire to all dealers and/or business partners with which it transacts business to ensure compliance with all applicable laws and regulations.

Supply chain-wise, suppliers are prohibited from any form of child labor in principle, and must verify the age of employees and job applicants through legal documents such as identification cards and birth certificates, and must not receive products and services from business partners involved in child labor or violating relevant laws. Suppliers must place their employees into work in accordance with the applicable laws and regulations of each country in which they operate. Also, suppliers must prohibit any form of forced labor or compulsory labor against the will of employees. Suppliers must not receive products and services from business partners involved in physical/mental restraint or forced labor due to debt.

***The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk**

Taking into account the unforeseen risk of forced or child labor being involved in the extraction of raw materials in the supply chain, HCE and all its subsidiaries are enforcing every supplier to establish a process to verify the origins and smelters of all minerals and raw materials, including conflict minerals and responsible minerals such as tin, tungsten, tantalum, and gold, included in the product. Suppliers must check whether social and environmental issues such as serious human rights violations, ethics violations, and negative environmental impacts have occurred or occur at the origins and smelters of minerals and raw

materials in accordance with the relevant process. If suppliers mainly deal with minerals and raw materials, they must conduct their own investigation or acquire external certification to confirm that the mining and processing of the minerals and raw materials are not related to human rights violations, ethical violations, and negative environmental impacts. If suppliers have a reasonable suspicion that the raw materials they use are illegal, have a negative impact on the environment, or are procured through unethical methods, an appropriate policy must be established to prevent their use. Suppliers must not use raw materials and minerals (tin, tantalum, tungsten, gold, etc.) of specific origin within our supply chain in accordance with the 'OECD Guidelines on the Responsible Supply Chain of Minerals from Conflict and High-Risk Areas' under any circumstances. Ultimately, Suppliers must provide relevant evidence, such as a certificate of origin, upon request from HCE and its subsidiaries.

***Any measures taken to remediate any forced labour or child labour**

So far, HCE-NA has not identified any forced labour or child labour risks in its activities and supply chains.

***Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains**

Until now, HCE-NA has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chains.

***The training provided to employees on forced labour and child labour**

In accordance with the 'Equal Employment Opportunity Act', 'Act on the Employment Promotion and Vocational Rehabilitation of Persons with Disabilities,' and the 'Labor Standards Act' in Korea, HCE and all its subsidiaries conduct annual training sessions at least once a year for all employees, focusing on preventing forced labour and child labour, workplace harassment and enhancing awareness of disabilities. Additionally, we provide mandatory education on a regular basis on preventing workplace harassment and preventing human rights violations to increase a sense of compliance in the workplace.

***How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains**

HCE-NA has conducted human rights impact assessments, which includes forced labour and child labour, to proactively identify and prevent even the slightest potential human rights risks associated with corporate activities. The Human Rights Management Committee of the parent company was established to enhance the human rights management level, and human rights impact assessments were conducted based on the standard form provided by the National Human Rights Commission in Korea. During the human rights impact assessment, the perspectives of various stakeholders were considered, including employees, customers, shareholders, business partners, local communities, and the government, all in relation to HCE-NA.



For more information, please don't hesitate to reach out to us

<https://na.hd-hyundaice.com/about-us/contact-us/>

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