

Hyosung Advanced Materials Corp.

# Human Rights Remedies Procedure and Manual



HR Team

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# 01. HUMAN RIGHTS REMEDIES MANUAL

## 01) Purpose

- (1) This document aims to establish procedures for preventing and addressing human rights violations within Hyosung Advanced Materials Corp. (hereinafter referred to as "HAMC") in accordance with the company's human rights management policy, with the goal of preventing human rights violations and protecting and remedying victims in the event of their occurrence

## 02) Overview of Remedies Procedure

### (1) Human Rights Remedies Body

Based on Clause 8.1 「Operation of Complaint Handling Centers」 of the company's Human Rights Policy, human rights-related matters are handled by the Human Resources Department, which operates the HR Counseling Center, and deliberations and decisions are made by the Disciplinary Committee (hereinafter referred to as "the Committee").

- (2) Violations related to human rights infringements are reported through the following channels:

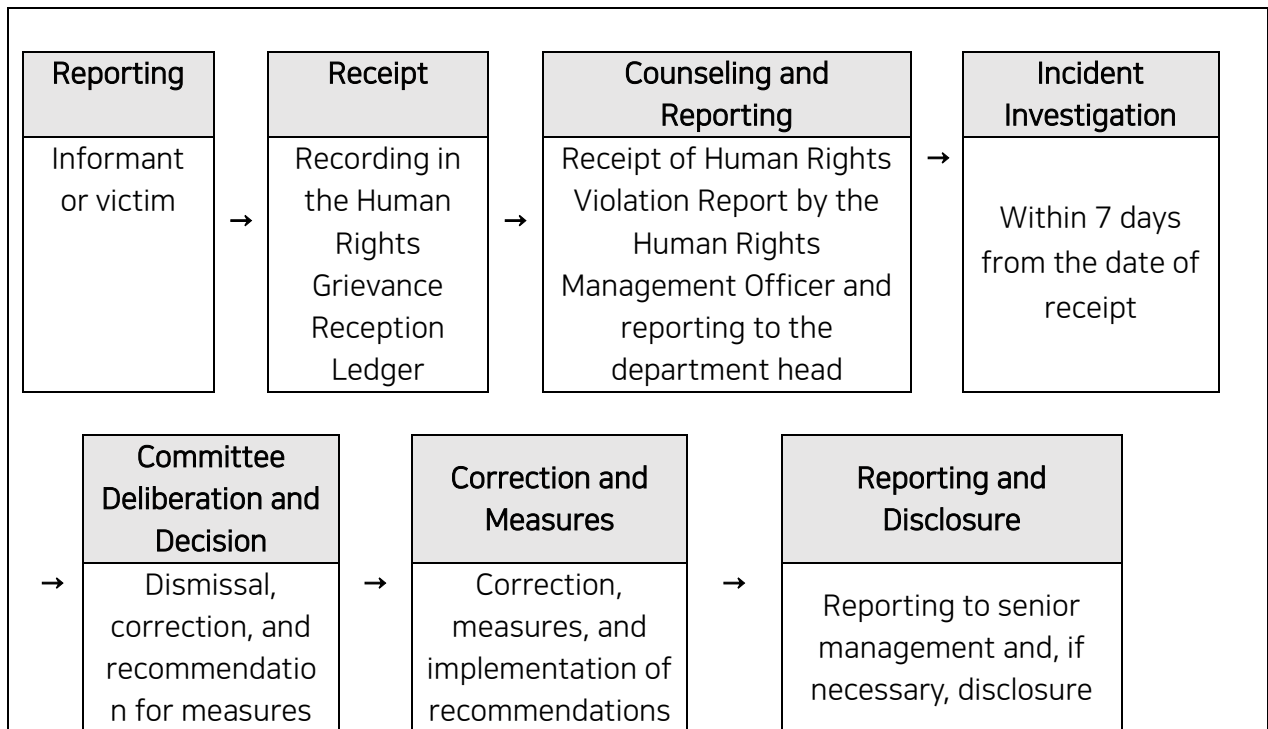
- ① HAMC Reporting Center on the HAMC website
- ② HAMC Human Resources Department
  - Email : ham\_insa@hyosung.com
  - Phone : 02-707-6114
- ③ HAMC HR Counseling Center or Grievance Handling Office

### (3) Operation Principles of Grievance Handling Mechanism

- ① To prevent post-incident remedy and spread of disputes related to human rights infringements among employees and stakeholders, the company must establish a continuous communication channel for listening to human rights-related opinions and designate internal personnel to operate it. Therefore, the following channels can be used to report infringements:
  - Employees: HR Counseling Center operated by the HR Department, Audit Department
  - Suppliers: HAMC Whistleblowing Center at Hyosung Supplier Portal, or Complaints Center
  - Others: Refer to the channel for human rights violation reports

- ② Anyone can request consultation with the relevant department for inquiries regarding the assessment of human rights violations and the remedial process.
- (4) Remedial Policy for Human Rights Violations:
- ① HAMC must establish remedial procedures to ensure that the rights of individuals who have suffered human rights violations are restored.
  - ② The human rights remedial procedures should include matters such as the receipt, handling, and protection of reporters according to the type of violation, and the detailed contents thereof shall be determined separately by the relevant department.
  - ③ Upon receipt of a complaint, HAMC must promptly notify the relevant stakeholders of the reported facts and proceed with the remedial procedures without delay.
  - ④ If a response from HAMC is required for inquiries raised during the reporting process, a lawyer from the legal department or a legal support team member may directly provide the response, and if an in-depth investigation is necessary, either a specialized internal team with in HAMC or an independent investigator or investigation team designated by HAMC may conduct the investigation .
  - ⑤ HAMC should make best efforts to promptly address feedback and provide transparent feedback on the review and action results to the reporter.
  - ⑥ The personnel handling all reports and complaints received by the Grievance Counseling Center must ensure anonymity and confidentiality of information.

## (5) Human Rights Grievance Resolution Process

**03) Measures**

## (1) Occurrence and Receipt of Human Rights Violation Incidents

- ① **(Incident Awareness)** The Human Rights Department and human rights officer (hereafter referred to as "responsible party") become aware of the incident through consultation requests or reports from the victim or a third party (e.g., via email, website).
- ② **(Report Reception)** Upon receiving a report, the responsible party must immediately record the incident in the Human Rights Grievance Reception and Processing Ledger. The contents of the report, including the reporter, victim, and details of the incident, must be kept strictly confidential, and measures should be taken to ensure that the reporter does not face any repercussions. However, if the report is evidently malicious or baseless, necessary actions may be exempted. If the report falls into one of the following categories, it may be dismissed through internal review by the Human Rights Department without further action:.

No	Category
1	If it is evident that the reported individual, who is not victim, does not wish for an investigation or deliberation.
2	If more than one year has passed since the occurrence of the events leading to the report. However, if the incident that prompted the report is one for which the statute of limitations in criminal or civil cases has not yet expired and the committee has decided to investigate or deliberate, this provision does not apply.
3	If, at the time of the report, legal proceedings, investigations by law enforcement agencies, or other legal remedies are ongoing or have been concluded regarding the events leading to the report.
4	If the reporter withdraws the report.

- ③ **(Counseling Process)** The responsible party must first explain to the counseling applicant, along with introducing themselves, that confidentiality is paramount during the counseling process. They should also inform the applicant that disclosing information about the human rights violation incident to third parties could constitute defamation or insult charges, but this should be explained thoroughly without intimidating the applicant. The responsible party should encourage the reporter to provide an objective account of the incident's overview but should refrain from asking unnecessary questions or making remarks that could distress them. To prevent secondary harm to the victim, such as work-related disadvantages or harassment due to rumors or rejection related to the human rights violation incident, anyone involved in the counseling and investigation process must not disclose the information they become aware of to others.

※ Items to Confirm During Counseling

- Gather specific details regarding the protective measures or desired actions from the reported individual, ensuring clarity on the content and method.
- Clarify the victim's requests thoroughly, determining whether they seek informal resolution or formal case handling.

※ <Inappropriate Questions> During Counseling

- Questions stemming from curiosity
- Irrelevant inquiries unrelated to the incident
- Questions that may evoke shame or sexual humiliation
- Remarks that encourage understanding and leniency towards the reported individual
- Statements implying the victim shares responsibility
- Remarks containing judgments like "It doesn't seem necessary to feel that way"
- Arbitrary judgments by the responsible party regarding the criminality under criminal law

(2) Incident Investigation

- ① **(Conducting the Investigation)** The investigation should be promptly conducted to reduce the psychological burden on the victim, allowing for review by the internal committee within 30 days of receiving the report. If the case is complex or requires investigation involving various stakeholders, the review period can be extended beyond 15 days, in which case the company must inform the victim and the reporter in writing. The order of interviews for the victim, reporter, and reported individual should be in the sequence of victim → reporter → reported individual, with each interviewed separately. Even if there are conflicting statements between the victim and the reported individual, cross-examination should not be conducted. In cases of conflicting statements, the consistency of statements, statements from witnesses, and fact-checking should be used to hear both sides of the story. Depending on the circumstances, HAMC may appoint external experts to conduct the investigation.

※ Principles of Evidence Collection

- The victim or reporter must present evidence sufficient to prove the act of human rights violation, making efforts to secure evidence including indirect evidence, circumstantial evidence, etc.
- Recording may be used to ensure the accuracy of evidence during investigation, and consent from the other party must be obtained before recording

※ Principles of Investigating Reported Individuals

- When initiating an investigation into the reported individual, it must be explicitly stated beforehand that secondary harm may result in aggravated penalties.
- As statements from the responsible party can serve as grounds for preparing a defense, the investigator must conduct the investigation after ensuring that the questions themselves do not contain information.

※ Precautions for Conducting Face-to-Face Interviews

- To prevent feelings of discomfort, it is advisable to minimize the number of people participating in face-to-face interviews.
- During the interview, it is important to accurately document the time and location in the statements of the victim, witnesses, and reported individual. Additionally, statements regarding the reported individual's actions should be as detailed as possible.

- ② **(Conclusion of Investigation)** Once the investigation is complete, the responsible party should confirm the details of the investigation and explain that if there are any incomplete parts during the investigation, they may request further statements. Subsequently, the responsible party must compile an investigation report. This report should detail the incident background, personal information of the victim, reporter, and reported individual, the nature and extent of the rights violation, any repeated or ongoing incidents, the degree of harm, the victim's requests, and any problematic behaviors mentioned in the incident narrative. The responsible party must communicate the progress of the investigation to the reporter and victim via telephone, written correspondence, email, or other electronic means.



### (3) Review and Decision on Human Rights Violation Cases

- ① **(Composition of the Committee)** The composition of the committee follows Article 3, Paragraph 2 of the Company's 「Disciplinary Regulations.」 Any member with a conflict of interest regarding a specific agenda item may not participate in or deliberate on that item. Members attending the meeting must not disclose any confidential information learned during the committee's deliberations.
- ② **(Committee Operations)** The operation of the committee follows Article 3, Clauses 3-9 of the Company's 「Disciplinary Regulations.」 Upon deliberating on the presented agenda items and determining whether a human rights violation has occurred, the committee must draft a decision document on the human rights violation, which the chairman and attending members must sign or seal.
  - Actions against the perpetrator (disciplinary action, reassignment, educational recommendations, filing of lawsuits, reporting, etc.)
  - Measures for protecting the victim (leave of absence, recommendation for reassignment, etc.)
  - Recommendations for preventing recurrence

### (4) Remedial Action

- ① **(Completion of Incident Handling)** The outcome of incident processing must be communicated in writing to the reporter, victim, and reported individual. The opinion of the victim must be heard regarding the measures taken against the reported individual and the protective measures for the victim decided by the committee. In cases where disciplinary action is decided by the committee, the type, procedure, and effectiveness of the discipline shall follow the personnel regulations, and coordination with relevant departments shall be conducted to ensure prompt disciplinary proceedings. If the reported individual fails to comply with corrective measures despite implementation, or if the perpetrator of the human rights violation retaliates against the reporter for the report, the disciplinary action may be intensified. Regardless of the committee's decision and implementation, the company should inform the victim of additional remedial measures if desired

## [Remedies and Responses for Types of Human Rights Violations (Examples)]

Classification	Legal action, Reporting Institution	Note
Assault, threat, injury, insult, defamation, coercion, false imprisonment, sexual assault	Filing a lawsuit or report to the local police station or provincial police agency	Even if reported to the prosecutor's office, it will be transferred to the police agency unless there are special circumstances (imprisonment or fine).
Unfair dismissal or other disadvantages against the victim	Filing a lawsuit or report to the regional labor administration	Labor inspectors perform the role of judicial police officers (imprisonment or fine).
Cases requiring cancellation of disadvantageous measures	Filing for remedy to the local national labor relations commission	Issuance of an order for reinstatement or monetary compensation.
Sexual harassment and other human rights violations	National Human Rights Commission of Korea	If there is a violation under criminal law, it is advisable to report to the police agency or labor administration first. Internal measures or disciplinary actions against perpetrators and responsible parties are recommended.

- ③ **(Monitoring)** After the conclusion of the incident, close attention should be paid to whether there is any recurrence of human rights violations or secondary retaliation by the perpetrator during a certain period following the incident, on a semi-annual basis, and support should be provided to the victim.
- ④ **(Prohibition of Retaliation)** According to Article 109, Paragraph 1 of the Labor Standards Act, which prohibits harassment in the workplace, the company must not dismiss or impose other unfavorable treatment on individuals who report incidents of human rights violations or claim to be victims. Dismissal or other unfavorable treatment may refer to examples provided in Article 14, Paragraph 6 of the Equal Employment Act, and in cases of retaliation related to sexual harassment, violators may be

subject to imprisonment for up to three years or a fine of up to 30 million won under Article 37, Paragraph 2 of the same Act. Taking unfavorable measures such as disciplinary action against third parties who assist in resolving the victim's issue is considered a violation of the duty to protect the victim unless there are special circumstances

[Attachment 1] Human Rights Violation Report (Template)

[Attachment 2] Human Rights Violation Receipt and Handling Register (Template)

[Attachment 3] Written Decision on Human Rights Violation Resolution (Template)

[Attachment 1] Human Rights Violation Report (Template)

<b>Human Rights Violation Report</b>			
	Name		Affiliation
<b>Reported Matters</b>			
<b>Time and Place of Incident</b>			
<b>Accused</b>			
<b>Reporter</b>			
<b>Details of Human Rights Violations</b>			
Date: MM/DD/YY			
<b>Reporter</b>		<b>(signature)</b>	

\* This form can be altered according to circumstances.

[Attachment 2] Human Rights Violation Receipt and Handling Register

## Human Rights Violation Receipt and Handling Register

No.	Date of Receipt	Reportes		Details of Human Rights Violations	Processing Result	Date of Reply	Confirmed by	
		Name	Affiliation				Consultant	Chairperson

\*본 양식은 상황에 맞게 변경될 수 있음

[Attachment 3] Written Decision on Human Rights Violation Resolution

## Written Decision on Human Rights Violation Deliberation

Regarding the human rights violation report case presented to the 00st/nd/th HAMC Social Contribution Committee (or Sustainability Steering Committee), the Committee deliberates and reaches the following conclusion.

- Conclusion -

Case Name	
Decision	

Date: MM/DD/YY

Chairperson of the Company-wide Disciplinary Committee (signature or seal)

\* This form can be altered according to circumstances.