

Fair Trade Compliance Program Operating Policy

(Revised February 2026)

Chapter 1 General Provisions

Article 1 (Purpose)

The purpose of these Regulations is to establish a fair trade order and prevent violations of laws by prescribing the basic standards and procedures that employees of HD Construction Equipment must follow in order to comply with fair trade-related laws and regulations.

Article 2 (Scope of Application)

All employees of HD Construction Equipment shall comply with these Regulations.

Article 3 (Definitions)

1. "Compliance" means voluntarily implementing and fulfilling the requirements prescribed under fair trade-related laws, regulations, and rules applicable to the Company.
2. "Fair trade-related laws" refer to the laws under the jurisdiction of the Korea Fair Trade Commission enacted for the purpose of promoting competition and maintaining fair trade order, including but not limited to the Monopoly Regulation and Fair Trade Act, the Regulation of Standardized Contracts Act, the Fair Transactions in Subcontracting Act, the Door-to-Door Sales Act, the Act on Fair Labeling and Advertising, the Installment Transactions Act, and the Act on Consumer Protection in Electronic Commerce, etc.
3. "Fair Trade Compliance Program" refers to the compliance system operated by the Company to voluntarily comply with fair trade-related laws and to present behavioral standards and implementation measures for employees.
4. "Compliance Manager" refers to the individual who oversees the overall operation of the Fair Trade Compliance Program.

Chapter 2 Organizational Structure and Responsibilities

Section 1 Compliance Manager

Article 4 (Appointment and Dismissal)

1. The Compliance Manager shall be appointed and dismissed by the Board of Directors.
2. In the event that the Compliance Manager is dismissed during his/her term, sufficient evidence substantiating the grounds for dismissal must be presented.
3. When a Compliance Manager is dismissed, a new Compliance Manager shall be appointed promptly to maintain operational continuity.

Article 5 (Authority)

The Compliance Manager has the following authority:

1. Authority to inspect and investigate the Company's compliance status.
2. Authority to request submission of data and information necessary for the performance of duties.
3. Authority to request improvements and corrective actions for violations of fair trade-related laws.
4. Other authority deemed necessary by the Board of Directors.

Article 6 (Duties)

The Compliance Manager has the following duties:

1. Duty of care as a prudent manager.
2. Duty to operate the Fair Trade Compliance Program efficiently.

Article 7 (Responsibilities)

For effective operation of the Fair Trade Compliance Program, the Compliance Manager shall perform the following responsibilities:

1. Management and operation of the Compliance Program.
2. Establishment of compliance-related plans.
3. Monitoring of compliance status.

4. Analysis, improvement, corrective action, and preventive measures regarding violations of fair trade-related laws.
5. Imposition of sanctions on violators of fair trade-related laws.
6. Education and training for employees and relevant departments on fair trade-related laws and compliance.
7. Establishment and operation of the Compliance Code of Conduct.
8. Recordkeeping of compliance activities.
9. Reporting compliance plans and activity status to the CEO and the Board of Directors.
10. Cooperation and coordination with competition authorities.
11. Other matters deemed necessary by the Board of Directors.

Article 8 (Independence of the Compliance Manager)

The Company shall not impose any adverse personnel actions against the Compliance Manager for reasons related to the performance of duties during the term, in order to ensure objectivity and independence.

Article 9 (Support of the Company)

1. The Company shall actively support the Compliance Manager with the human and material resources necessary for effective performance.
2. The Compliance Manager may seek expert assistance at the Company's expense.

Article 10 (Responsible Department)

A department may be designated to assist the Compliance Manager in performing duties and to manage company-wide operation of the Fair Trade Compliance Program.

Section 2 Compliance Council

Article 11 (Establishment and Composition)

1. The Compliance Manager may operate a Compliance Council composed of relevant department heads as an advisory body.

2. The Compliance Manager shall serve as the chair of the Compliance Council.
3. Members may be designated as necessary by the Compliance Manager.

Article 12 (Roles)

The Compliance Council performs the following roles:

1. Establishment of basic compliance policies.
2. Deliberation on important matters and provision of recommendations or advice as necessary.

Section 3 Employees

Article 13 (Obligations)

1. All employees shall comply with fair trade-related laws.
2. When employees determine that there may be a potential violation of fair trade-related laws, they must seek consultation or advice from the Compliance Manager.
3. When employees discover any violations of fair trade-related laws in the course of performing their duties, they shall report such violations to the Compliance Manager without delay.
4. All employees shall participate in fair trade-related legal training conducted by the responsible department, understand the contents, and apply them to their work activities.

Chapter 3 Operation of the Compliance Program

Article 14 (Declaration of Compliance Commitment)

The CEO shall declare the Company's commitment to fair trade compliance to all employees at least once annually.

Article 15 (Compliance Manual)

1. The Compliance Manager shall prepare and distribute a compliance manual containing detailed guidelines for compliance with competition laws.

2. The manual shall be prepared in accordance with the Company's organizational structure and characteristics.

3. When relevant laws and regulations are amended, such changes shall be reflected in the manual at least once annually.

Article 16 (Monitoring System)

The Compliance Manager shall verify compliance with the Fair Trade Compliance Program at least once annually through the following methods and report the results to the CEO or the Board of Directors:

1. Inspection and investigation of employees' compliance status.

2. Review and confirmation of various checklists prepared by each department upon request of the Compliance Manager.

3. Review and confirmation of reports, notifications, and other materials submitted upon request of the Compliance Manager.

Article 17 (Training Program Operation)

The Compliance Manager shall provide training on the compliance regulations to all employees at least once annually and may provide supplementary training as necessary.

1. Training shall include matters deemed necessary, such as changes in the Compliance Regulations or amendments to fair trade-related laws that employees must be aware of.

2. The Compliance Manager may conduct training and evaluations and may reflect the results in personnel evaluations.

3. Detailed matters regarding compliance training may be separately determined by the Compliance Manager.

Article 18 (Sanctions for Employees who Violate Fair Trade-Related Laws)

1. The Compliance Manager may request corrective action from an employee regarding violations of fair trade-related laws.

2. For violators identified through compliance inspections, the Compliance Manager shall impose sanctions proportionate to the severity of the violation, and where necessary, other actions shall follow personnel regulations and employment rules.

Article 19 (Sanction Procedures and Criteria)

① When reviewing violations of fair trade-related laws, the Compliance Manager shall consider the following factors:

1. Degree of damage caused by the violation:

- a. Content of the violation
- b. Frequency of the violation
- c. Damage suffered by the Company due to the violation
- d. Degree of social repercussions
- e. Degree of remedy of the violation

2. Nature of conduct:

- a. Failure to comply with or negligence in complying with fair trade-related laws
- b. Delay or negligence in submitting reports or materials requested by the Compliance Manager
- c. Refusal, obstruction, or evasion of monitoring
- d. Delay or negligence in implementing orders, instructions, or corrective actions issued by the Compliance Manager
- e. Repeated engagement in unlawful or improper acts after receiving corrective actions
- f. Proceeding with tasks likely to cause significant loss to the Company without prior consultation with the Compliance Manager despite substantial risk of violation
- g. Submission of false reports or materials requested by the Compliance Manager

② Based on the criteria in Paragraph ①, the Compliance Manager may impose the following sanctions proportionate to the severity of the violation:

1. Written warning (for the employee and relevant supervisors)
2. Order for corrective action
3. Submission of a statement of explanation (or factual confirmation)
4. Preparation of a white paper (reflective statement)
5. Referral to the personnel committee

③ The Compliance Manager shall instruct the head of the relevant department to require completion of training in the following cases:

1. When the employee has received corrective action for violating fair trade-related laws
2. When the Compliance Manager determines that special education is necessary due to a high likelihood of violation
3. When the Compliance Manager determines that additional special training is required aside from sanction measures due to violation of fair trade-related laws

④ Training under Paragraph ③ shall be conducted under the responsibility of the team leader (or department head) of the violator's department, independent of the training provided by the responsible department, and an internal training plan shall be established. The training results report and evaluation materials shall be submitted promptly to the Compliance Manager.

Article 20 (Incentives)

The Compliance Manager may recommend that the Company grant personnel or monetary benefits to individuals or departments recognized as exemplary in compliance, or request correction of any personnel disadvantages related to compliance.

Article 21 (Documentation Management)

1. All fundamental documents related to compliance shall be classified and stored under the responsibility of the Compliance Manager.
2. Documents determined to be legally important must be thoroughly prepared and preserved for potential use as evidence.
3. All documents related to compliance activities must be accurately recorded and kept up to date.

Article 22 (Performance Evaluation of Program Operation)

1. The effectiveness of the Compliance Program shall be periodically evaluated and reflected in its operation.
2. The Compliance Manager may seek external expert advice as necessary.

Article 23 (Disclosure)

The department in charge of disclosure shall voluntarily disclose the operational status of the Compliance Program through the electronic disclosure system.

Article 24 (Relationship with Competition Authorities)

The Compliance Manager shall maintain close cooperation with the Korea Fair Trade Commission by facilitating smooth communication and information exchange regarding competition policy and legislative revisions.

Article 25 (Delegation)

The Compliance Manager may establish and operate detailed rules necessary for the efficient and effective operation of these Regulations.