

Corporate Governance Charter

March 14th, 2019

Hyundai GLOVIS

Preface

Hyundai GLOVIS (the “Company”) is committed to becoming a leading global enterprise by creating new values based on superior quality and customer service. We believe that the Corporate Governance Charter (the “Charter”) will serve as an important measure to secure confidence from all stakeholders and to maintain integrity in conducting management activities as a respected global enterprise.

This Charter aims at providing a comprehensive and transparent disclosure of the company’s governance under the supervision of a professional and independent board of directors. Our goal is to become a company that ensures a sustainable future through balanced promotion of rights of our stakeholders such as shareholders, customers, employees, and partners.

1. Shareholders

1.1 Rights of Shareholders

① The shareholder, as an owner of the Company, shall have the following intrinsic rights protected by the relevant laws and regulations such as the Korean Commercial Code:

- A right to participate in profit sharing
- A right to participate in General Meeting of Shareholders with voting rights
- A right to receive information in a timely manner and on a regular basis.
- Other rights protected by Articles of Incorporation and the relevant laws such as Korean Commercial Code.

②The following matters that cause fundamental changes in Company's existence and shareholder rights shall be decided through General Meeting of Shareholders under the principle of protecting the utmost rights of the shareholders:

- Modification of the articles of incorporation
- Merger, business transfer, and spin-off
- Dissolution
- Capital reduction
- Comprehensive exchange and transfer of shares, etc.

③ Shareholder's right(s) must be facilitated to be conveniently exercised under shareholder's discretion. Shareholders shall be provided with sufficient prior information regarding the agenda of the General Meeting of Shareholders. Date and location of the General Meeting of Shareholders shall be decided for the maximum participation of shareholders.

④ In accordance to the relevant laws such as Korean Commercial Code, the shareholder shall have the right to suggest agenda for the General Meeting of Shareholders and to request for additional explanation of the agenda at the General Meeting of Shareholders.

1.2 Fair Treatment of Shareholders

① Shareholder shall receive one (1) voting right per common share. However, voting right for a certain shareholder may be restricted by law, while the intrinsic right of the shareholder shall not be infringed upon.

②The Company shall provide information necessary for a shareholder on a timely, sufficient, and easily understandable basis. In addition, disclosure of information for which the Company has no obligation to shall also be made available to all shareholders equally.

③ The Company shall protect the shareholders from unfair conducts of insider trading and self-dealings.

1.3 Responsibility of Shareholder

① In awareness of the impact that each voting exercise has on the Company's business management, shareholders shall make every effort to exercise their voting rights for the Company's best interests.

② Controlling shareholder(s) shall act in the best interest of the Company and all its shareholders, and shall put forth efforts not to cause loss to the Company and the other shareholders by conducting activities that contradict the above.

2. Board of Directors

2.1 Functions of Board of Directors

① The board of directors (the "BoD") is an institution that has comprehensive responsibility and authority over the management within the scope provided by relevant laws and regulations. The BoD shall perform the following functions:

- Important matters related to business goals and management strategies of the Company.

- Supervision of the directors and executives

- Matters prescribed by relevant laws, the articles of incorporation and regulations of the BoD

② The BoD may delegate its authority to the representative director or a committee on the matters other than those prescribed by the articles of incorporation or the regulation of the BoD.

2.2 Composition and Operation of Board of Directors

① The Company shall have three(3) to nine(9) directors in order to enable effective and prudent decision-making and also to sufficiently operate active committees within the BoD.

② In order to ensure performance of the BoD's function of independent and substantive supervision of management and controlling shareholder(s), more than half (1/2) of the total number of the directors shall be comprised of outside directors

③ The BoD shall appoint a chairman with a 1 year term at the first meeting of the BoD after the annual meeting of the shareholders. The chairman shall preside over the meeting of the BoD, and shall cause the roles of the BoD to be effectively performed in all aspects.

④ The BoD meeting shall be held on a regular basis. An Extraordinary BoD Meeting can be called when there is an urgent matter in addition to the ordinary BoD meetings. A regulation that specifically prescribes the authority, responsibility, and procedures of the BoD meetings shall be established and maintained.

⑤ For the purpose of fair outside director nomination, Recommendation Committee shall be operated. The Recommendation Committee shall be composed to sustain fairness and independence of outside director candidate recommendation process.

⑥ The Company shall record BoD meetings in minutes report to record and store the meeting details.

2.3 Qualification and Independence of Directors

①A director shall comply with standard of qualification prescribed by relevant laws and regulations. He or she shall have exemplary ethics, professionalism, and integrity, and should be able to represent the interests of the shareholders and stakeholders in a balanced manner.

②A director must be able to devote sufficient time for purposes of carrying out their duties, and shall have strategic mindset, practical knowledge, mature judgment, and thorough sense of responsibility.

③Outside directors, shall have extensive expertise in the relevant field such as finance, economics, management, legal, accounting, etc., Outside directors shall have no material relationship with the Company; being capable of making decisions, independent from the Company and the controlling shareholder.

④ Director shall be capable of making actual contributions to the corporate management with competent expertise.

2.4 Appointment of Directors and Recommendation of Candidates

①Directors shall be appointed at the General Meeting of Shareholders based on the recommendation of the BoD.

②Outside director shall be capable of making actual contributions to the corporate management with competent expertise. Outside directors shall be nominated by the Recommendation Committee on Candidates for Outside Directors and shall be appointed at the General Meeting of Shareholders.

③ The company shall provide sufficient time and prior information for the Shareholders to review and exercise voting regarding nominated director.

2.5 Roles of Outside Directors

①Outside directors shall participate in major decision-making of the Company through activities in the BoD, and shall supervise and support the management as a member of the BoD.

② Outside director may request for information necessary for performance of their duties. In addition, the outside director may obtain advice from an external expert in accordance with appropriate procedure, and the Company shall be responsible for the expenses.

③In order to allow the outside director to timely and accurately understand the status of management of the Company, the Company shall regularly report or provide management information such as status updates and shall continuously provide training or establish training programs for the outside director.

④ Outside Director shall devote sufficient time for purposes of carrying out their duties, and shall review agenda details before attending the Board of Directors meeting.

⑤ The Company shall operate support team to provide direct support for Outside Directors.

2.6 Responsibilities of Directors

① A director, as a manager in good faith, shall act in the best interest of the Company and its shareholders in accordance with his/her fiduciary duties of care and loyalty, and shall not disclose information obtained during the course or use the same for the interest of third party.

② When a director violates the laws or the articles of incorporation or neglects his/her duties, the director is liable for damages to the Company. Where a director has conducted acts with malice or gross negligence, the director shall also be liable to a third party. However, if the director acted in the best interest of the Company during the course of making a business judgment based on good faith and reasonable determination, such business judgment of the director should be respected.

③ In order to mitigate the burden related to director's liability and to secure a capable director, the Company shall enroll in directors liability insurance for the benefit of the director at the Company's cost.

2.7 Sub-Committees under the Board of Directors

- ① The BoD may establish and operate Sub-Committees in order to increase expertise in conduct of business and efficiency in operation.
- ② The BoD shall organize and operate Audit Committee, the Recommendation Committee on Candidates for Outside Directors, and Corporate Governance and Communication Committee as Sub-Committees, and may establish a temporary committee if necessary. Composition and operation of the committees shall be in accordance with regulations separately established for each of the Sub-Committees.
- ③ The Sub-Committees shall report their resolutions to each Director.
- ④ Unless otherwise specified in the Korean Commercial Code, any other relevant legislative regulation, Articles of Incorporation, the Company's internal regulation, and/or Corporate Governance Charter, more than half (1/2) of the total number of directors in the Committee shall be comprised of outside directors.
- ⑤ The organization, operation and authority of all committees shall be clearly stipulated in regulation. The resolution of the Committee, on the matters delegated by the Board of Directors, shall have the same resolution power as that of the Board of Directors.

2.8 Corporate Governance and Communication Committee

① The Corporate Governance and Communication Committee shall strive for protection of shareholders' interest and review of transparency in internal transactions and ethical management. The Corporate Governance and Communication Committee shall review the following:

- Major management matters regarding protection of shareholders' interest
- Related party transactions prescribed under the Korean Monopoly Regulation and Fair Trade Act
- Check implementation of program on voluntary compliance with rules on fair trade
- Major policies related to ethical management and social contributions
- Establishment/amendment of code of ethics and evaluation of status of implementation of the same
- Risk management related to business investment

② The Corporate Governance and Communication Committee shall review major management matters such as mergers and acquisitions, acquisition and disposition of major assets related to protection of shareholders' interest, policy on return of profits to shareholders such as dividends, buy-back, etc., and other matters that the committee has determined to be important. In order to strengthen communication with the shareholders, one of outside directors of the committee shall be appointed as a representative in charge of protection of shareholders' rights.

③ The roles of the outside director in charge of protection of shareholders' rights are as follows:

- Participation in major IR events and communications between the BoD and shareholders through meetings with shareholders
- Delivery of opinions and proposals related to protection of shareholders'

interest to the Corporate Governance and Communication Committee and the BoD

- Continuous development and proposal of policies to improve protection of shareholders' interest

④ The Corporate Governance and Communication Committee shall only be comprised of outside directors in order to enhance independence and transparency. The Company shall provide all information and costs necessary for the Corporate Governance and Communication Committee's activities to the extent possible, and shall provide continuous training or operate training programs in order to enhance expertise.

⑤ The Corporate Governance and Communication Committee shall generally hold a meeting every quarter. If necessary, an extraordinary meeting shall be held, and The Corporate Governance and Communication Committee shall report the results of the meeting to the BoD. In addition, the details of its annual activities shall be disclosed in various channels such as the Company's sustainability report to allow all shareholders access to such information.

3. Audit

3.1 Audit Committee

① The Audit Committee shall be composed of three (3) or more directors with at least one member with professional knowledge of accounting or finance and shall be appointed at the General Meeting of Shareholders. In addition, in order to ensure independent, transparent audit process, two thirds (2/3) or more of the Audit Committee shall be outside directors.

② The Audit Committee shall perform the following functions:

- Audit the legitimacy of business activities of the management
- Review of soundness and reasonableness of the financial activities and accuracy of the financial reports
- Request for the selection and dismissal of the Company's External Auditor.
- Other matters prescribed by laws, regulations, articles of incorporation, and Audit Committee bylaws

③ The Audit Committee may, at any time, access or make a copy of records or documents related to accounting, and may require reports on business from a director or investigate the Company's business and asset status.

④ The Audit Committee shall be held at least one time every quarter. Management, Chief Finance Executive, the company's audit team manager, and/or external auditor may attend the meeting when there is a need.

⑤ The Company shall record Committee meeting in minutes report.

⑥ The Audit Committee shall conduct duties independently from the Company's management and the Controlling Shareholder. Therefore, the Audit Committee members shall only be compensated for the duties of BoD Directors.

3.2 External Auditor

① An external auditor shall conduct audits fairly and independently from the Company, the management, and/or any specific shareholders, etc.

② The Company shall appoint the external auditor selected by the Audit Committee, and such external auditor shall report important matters found during its audit to the Audit Committee.

③ The external auditor must participate in the General Meeting of Shareholders and must respond in good faith to question(s) raised by a shareholder.

④ The Company shall ensure that external auditor considers the sustainability of The Company as required by the relevant laws, such as the "Act on External Audit of Stock Listed Companies, etc."

4. Stakeholders

① The Company shall believe that good faith resolution of matters for which stakeholders (such as customers, employees, partners, and local society) concern will contribute to long-term increase in shareholder value, and shall faithfully carry out the business' social responsibility.

② The Company shall respect the worker's rights and shall improve the worker's quality of life.

③ The Company shall promote the establishment of a fair market order through the compliance to Fair Trade-related statutes. The Company shall also promote balanced development of the national economy.

④ The Company shall comply with the creditor's protection procedures for matters such as mergers, capital reduction, and spin-off which have a significant impact on the creditor's status.

⑤ The rights of a stakeholder and a shareholder shall both be protected and exercisable independently if the stakeholder concurrently holds the status of the shareholders.

⑥ The Company shall do its best to faithfully protect the rights of interested parties by statute or contract.

⑦ The Company shall provide necessary information to protect the rights of interested parties to the extent permitted by the company's rulings, and shall support access to relevant information by interested parties.

5. Disclosure

- ① The Company shall regularly prepare and disclose annual, semi-annual, and quarterly reports, and disclose relevant information about the Company and its business activities to shareholders and other stakeholders in a timely, forthright, and accurate manner.
- ② In addition to regular disclosures, the Company shall make detailed and accurate disclosures about legal obligations and major outstanding issues without delay.
- ③ In addition to the disclosures required by law, the Company shall disclose matters that may or may have a significant effect on the decisions made by shareholders and stakeholders.
- ④ The Company prepares disclosures that are easy to understand and strives to make them easier to use by interested parties.
- ⑤ The Company shall designate a public disclosure manager and establish an internal information transfer system that enables important information of the company to be quickly transferred to the public disclosure officer.
- ⑥ The company shall disclose in detail the status of ownership of shares of major shareholders and their related parties.
- ⑦ The Company shall not prioritize nor discriminate anyone on the scope or the timing of the disclosure, and the disclosures shall be prepared in a way easily accessible by stakeholders.