GLOBAL PRACTICE
FOR SUSTAINABILITY

2024 Hyosung Sustainability Report

HYOSUNG

About this report

After the first publication in 2012, Hyosung has been publishing a Sustainability Report every year since 2018 to actively communicate with our stakeholders. The 2024 Hyosung Sustainability Report is the ninth sustainability report that we have published. We would like to transparently disclose our sustainable management activities and achievements across the economic, social, and environmental domains, as well as foster communication with stakeholders.

Key Terms

Hyosung	Hyosung Corporation and operating companies
Operating Company	Hyosung TNC, Hyosung Heavy Industries, Hyosung Chemical
PG	Performance Group
PU	Performance Unit

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Reporting Standards and Principles

The 2024 Hyosung Sustainability Report was prepared with reference to the 2021 GRI (Global Reporting Initiative) Standards. In addition, to respond to the interests and expectations of various stakeholders, external sustainability initiatives and frameworks such as SASB, TCFD, and ISO 26000 were reflected in the selection of materiality issues.

Reporting Period and Scope

This report covers our activities and performance from January 1, 2024 to December 31, 2024. If trend analysis is required, quantitative data from the past three years has been included. In terms of qualitative activities and achievements, the report may include data up to May 2025. The financial data in this report is consistent with the consolidation standards under the Korean International Financial Reporting Standards (K-IFRS).

Hyosung Corporation underwent a spinoff on June 1, 2018, resulting in Hyosung Corporation, Hyosung TNC Co., Ltd., Hyosung Heavy Industries Co., Ltd., Hyosung Advanced Materials Co., Ltd., and Hyosung Chemical Co., Ltd. Further, on July 1, 2024, Hyosung Corporation underwent an additional spinoff: The surviving entity, Hyosung Corporation, now handles equity management and investments in the surviving subsidiaries, and the newly established company, HS Hyosung Co., Ltd., manages certain subsidiaries and primarily engages in logistics operations and international freight forwarding.

The scope of this report includes Hyosung Corporation and some qualitative and quantitative data from subsidiaries that account for more than 99% of consolidated sales. To avoid confusion, separate explanations are provided for matters that require attention regarding the reporting scope. For the convenience of readers, we have abbreviated company names. Some of the business outcomes and activities described in this report may not apply to certain operating companies. If corrections are required for data presented in our previous reports, the data has been recalculated as of 2024, and the reasons for and results of the corrections are indicated separately at the bottom of the relevant content.

Reporting Cycle

Annually (2024 Hyosung Sustainability Report published: June 2025)

Data Assurance

To ensure the reliability and fairness of this report, we have acquired type II assurance from the independent professional institution, BSI, in accordance with the four principles of AA1000AS (v3) and AA1000AP (2018). The assurance results are provided on page 85 of this report.

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INTERACTIVE USER GUIDE

This report was published in the form of interactive PDF with functions including navigation to related pages and web page links.

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CEO Message



Hyosung will enhance and enrich the quality of life for humanity with its leading technology and management capability.

Dear valued stakeholders, Greetings.

I would like to extend my sincere gratitude to all those who continue to show unwavering trust and interest in Hyosung—including our shareholders, customers, partners, local communities, and employees.

Hyosung has been steadfast in its pursuit of creating a sustainable future for a better life for all of humanity. We are committed to establishing policies and systems that allow all members of our organization to practice sustainability as a core part of our business operations. Regular monitoring and improvement activities are conducted to ensure this. We are especially focused on enhancing environmentally and socially sustainable value, while working to expand the responsible influence of our company.

Recognizing climate change as a significant risk not only to our company but to society as a whole, Hyosung has launched and is advancing the "Green Management Vision 2030." Under this vision, we are executing a wide range of strategies, including carbon neutrality, resource circulation, and the development of eco-friendly technologies. We are proactively responding to global environmental regulations and continuously expanding the adoption of new technologies to realize a circular economy.

Responsibility to people and communities is just as central to Hyosung's values as environmental responsibility. Rooted in our founding philosophy of respect for humanity, we are expanding human rights impact assessments across all business sites in line with global trends, and enhancing our health and safety management systems to simultaneously ensure worker safety and quality of life. We have also established policies to build a sustainable supply chain and are continuously expanding practical support measures for collaborative partnership with our suppliers and small- to mid-sized partners.

These efforts go beyond meeting basic obligations — they are deeply meaningful in aligning with global standards. Hyosung actively supports and practices the principles of responsible corporate conduct presented by the international community, including Principle 1 of the UN Global Compact (UNGC): "Businesses should support and respect the protection of internationally proclaimed human rights," as well as the Universal Declaration of Human Rights, the ILO Core Conventions, and the OECD Guidelines for Multinational Enterprises. In particular, we have adopted these as fundamental standards in our business management by establishing and publicly declaring a "Declaration of Human Rights Management," and are making company-wide efforts to uphold it.

From a governance perspective, Hyosung has built a rational decision-making system based on accountability and expertise. In 2025, we plan to further enhance our sustainability and transparency by strengthening board diversity and advancing our risk control processes.

In 2024, Hyosung strengthened its sustainability through multifaceted efforts, including technological innovation. Examples include the expansion of eco-friendly fiber production based on carbon reduction technologies, obtaining sustainable supply chain certifications from international clients, and strengthening our social contribution and biodiversity preservation programs.

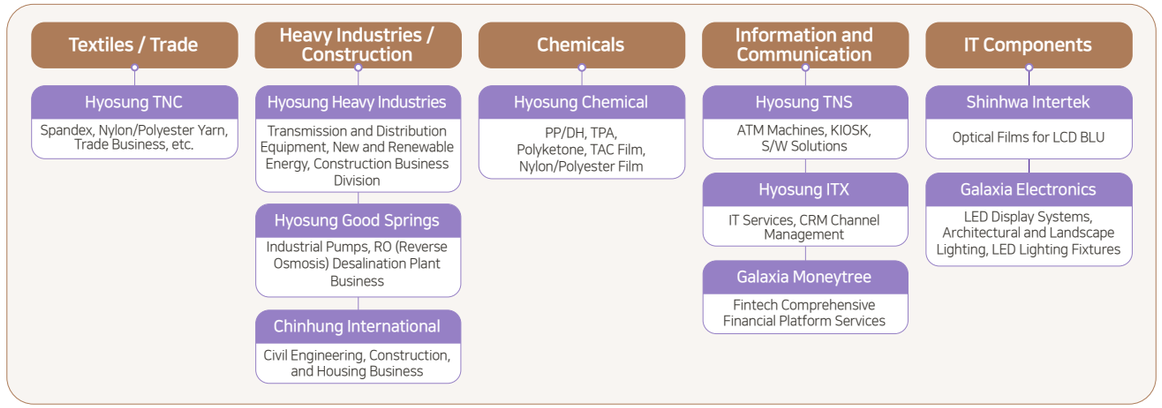
Moving forward, Hyosung will continue to lead the way in creating a better life for humanity and achieving sustainable development, based on technological excellence and management capabilities. We sincerely ask for your continued support and encouragement as we take on new challenges and move forward.

Whang Yun-eun, CEO & Chairman of Hyosung ESG Management Promotion Committee

Hyosung, Creating Value for Customers

Business Areas

Hyosung Group owns a total of 134 affiliated companies, 58 in Korea and 76 overseas.



* As of July 1, 2024, Hyosung Corporation completed a spinoff into Hyosung Corporation (surviving entity) and HS Hyosung Co., Ltd.(newly established company).

Company History

Over the past 50 years, Hyosung has led domestic and overseas key industries. Its history is characterized by relentless technological innovation and the spirit of challenge that enabled it to overcome numerous obstacles.



HYOSUNG WAY

HYOSUNG WAY is a value system combining the strength and resolve of Hyosung members around the world to turn dreams into reality. Through the practice of Hyosung Way, Hyosung will become a global top-tier company and contribute to enhancing the life quality of our customers.

Mission	Enhance and enrich the quality of life for humanity with its leading technology and management capability			
Core Value	Global Excellence	Innovation	Accountability	Integrity
Principle	· Maximize the competitiveness with ceaseless self improvement efforts to win in any situation · Blaze new trails in markets around the world with a global outlook	· Eliminate all inefficiencies that do not add value · Challenge new possibilities with a positive mindset	· Act like owners and take charge in actions · Never give up until achieving the goal	· Uphold transparency and fairness based on facts and principles · Respect and cooperate with each other to make a great workplace

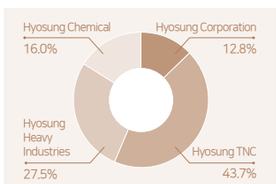
Business Performance

Hyosung is intent on bolstering its market position by enhancing business capabilities to improve profitability through value management based on global excellence. The company is also accelerating continuous development through establishing global networks in its core businesses.

Group Business Performance

Sales Revenue	KRW **17,782.1** billion
Operating Profit	KRW **683.8** billion
Total Assets	KRW **18,555.9** billion

Group Proportion of Sales



Business Performance of Holding Company and Major Operating Companies

(Unit: KRW billion)

	Hyosung Corporation	Hyosung TNC	Hyosung Heavy Industries	Hyosung Chemical	Total
Sales Revenue	2,272.8	7,776.1	4,895.0	2,838.2	17,782.1
Sales Share	12.8%	43.7%	27.5%	16.0%	100%
Operating Profit	221.1	270.7	362.5	(170.5)	683.8
Total Assets	4,340.9	4,724.2	6,218.8	3,272.0	18,555.9

Global Technology



TEXTILE

"creora©" : No.1 brand by global spandex market share
Hyosung TNC



ENERGY

GIS (Gas Insulated Switchgear) selected as a world-class product
Hyosung Heavy Industries



NEW MATERIALS

World's first commercialization of a new material, "POKETONE™"
Hyosung Chemical



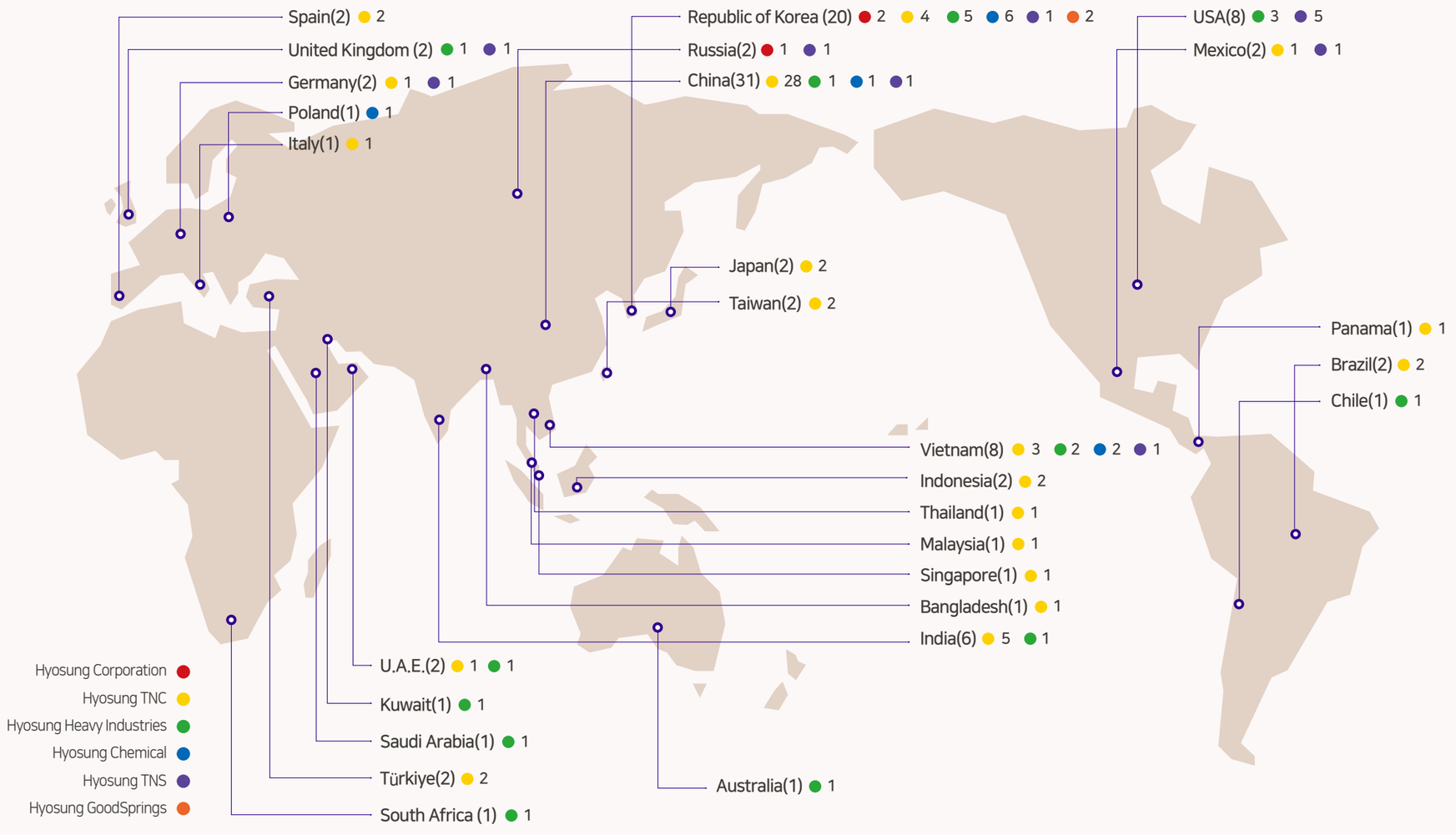
ATM

No. 1 in ATM market share in the U.S. and Nigeria
Hyosung TNS

Hyosung, Creating Value for Customers

Global Network

Hyosung operates 107 business sites in 28 countries to expand and develop in overseas markets. In particular, we are actively pursuing localization strategies and facility investments to occupy the position of leading companies in related industries in Vietnam, China, India, Brazil, and Türkiye, which have a large market size and high growth potential. In 2024, Hyosung carried out large-scale investments, including the construction and expansion of plants in Vietnam, China, India, and Türkiye, to support the development and mass production of core products. The company also focused on the strategic growth of environmentally friendly advanced technologies and products, such as bio-BDO.



Category	Number of Countries	Number of Business Sites
Asia	11	75
Europe	7	12
North America	1	8
Latin America	4	6
Middle East/ Africa	4	5
Oceania	1	1
Total	28	107

Production Network

Domestic Headquarters	Domestic Factory	Overseas Manufacturing Corporation
6	14	21

Trade Network

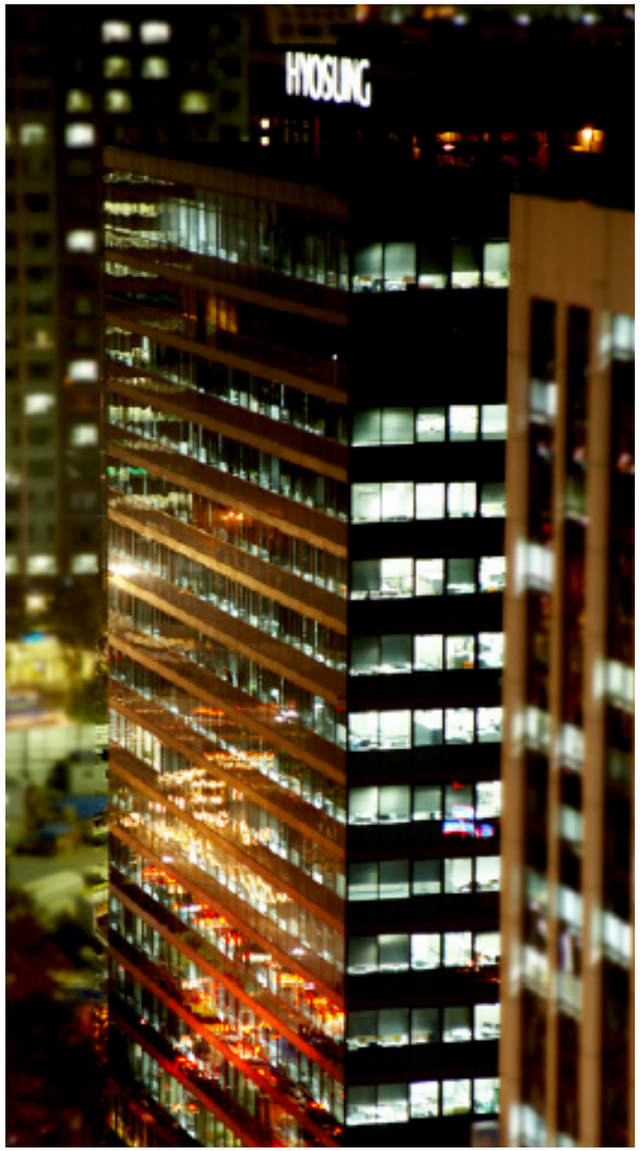
Trading Corporation/ Branch	Trading Office/ Sales Office
31	35

R&D Centers (Not Mapped)

Domestic	Overseas
5	1

Hyosung Corporation Overview

Hyosung Corporation is a holding company of Hyosung Group, responsible for managing subsidiaries' equity and investments. Hyosung Corporation establishes mid-to long-term business plans and strategies, as well as manages business portfolio. Additionally, it operates R&D Center, Human Resources Development Center, and IT Strategic Office to support the core competencies enhancement of our key subsidiaries.

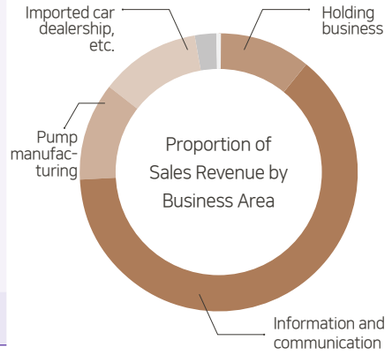


Company Overview

Company Name	Hyosung Corporation
Date of Establishment	November 3, 1966
CEO	Cho Hyeon-jun, Whang Yun-eun
Headquarters	119 Mapo-daero, Mapo-gu, Seoul, Republic of Korea
Number of Employees	580 (As of Dec. 31, 2024, standalone basis)
Key Business Areas	Holding business (including management and investment of subsidiary shares, research services, and group CI management), textile manufacturing, etc.
Major Countries of Operation	Korea, USA, Mexico, Vietnam, etc.

Hyosung Corporation's Key Business Areas

Holding Business	CI royalty, research services, textile manufacturing, etc.
Information and Communication	Financial automation devices
Pump Manufacturing	Pump manufacturing
Imported Car Dealership	Imported car dealership
Other	



※ Based on Hyosung Corporation and 28 consolidated subsidiaries

※ For the value chain of Hyosung's manufacturing division, refer to the "Raw Materials and Production Facilities" section of the annual business report.

Financial Performance (Consolidated Basis)

Total Assets | KRW 4,340.9 billion

Sales Revenue | KRW 2,272.8 billion

Operating Profit | KRW 221.1 billion

ESG Ratings and Key Certifications

KCGS Rating

EcoVadis

Environmental Management System ISO 14001

Safety and Health Management System ISO 45001

CDP Climate Change Score: B

Eco-Friendly Certification

Family-Friendly Certification

Community Contribution Certified Company

Sustainability Governance

Sustainability Management Governance System

Hyosung Corporation has established a connected system among the Board of Directors, senior executives, and operational organizations for decision-making and implementation of sustainable management.

Board of Directors	ESG Management Committee	Highest decision-making body regarding sustainability management
Senior Executives	ESG Management Promotion Committee	Chaired by the CEO, responsible for ESG risk management and decision-making

Operational Organizations

Strategy Center	Finance Center	Administrative Center	ESG Management Department	CSO	Communication Office	Anyang Plant	Hyosung R&DB Labs, Power & Industrial Systems R&D Center
Strategy, Investment, Security	Governance, Finance	Human Rights, Ethics, Legal Compliance	Planning & Management, Climate, Environment	Safety & Health	Social Contribution, Reputation	Supply Chain, Environment/ Safety	Eco-Friendly Technology and Product Development

- Sustainable Management Roles & Responsibilities established for operational organizations under the ESG Management Promotion Committee
- Manage and improve risks by area
- Report issues and implementation results to the ESG Management Promotion Committee

Board of Directors (ESG Management Committee)

Hyosung has established an independent governance system based on the board to strengthen sustainable management and risk oversight. The ESG Management Committee is the highest decision-making body for sustainable management, responsible for establishing ESG policies and objectives, formulating and reviewing risk management strategies, and conducting prior evaluations of significant internal transactions under the Fair Trade Act.

[ESG Management Committee Status]

Key Roles	• Establishment and deliberation of ESG policies, goals, and risk management strategies • Deliberation of investment and activity plans for response to environment, safety, and climate change issues • Deliberation on major management issues such as splits, mergers, and business transfers to protect shareholder rights • Deliberation on shareholder return policies such as dividends and share buybacks • Deliberation on other major ESG issues
2024 Activities Summary	• 11 sessions held • Attendance rate of 100% for all members (3 outside directors, 1 inside director) • Key Agendas: ESG management status report - Approval of material topics - Confirmation of greenhouse gas emissions and approval of emissions allowances sales - Approval of partnerships with the value chain and local communities/social contribution plans Review and resolution of other transparency-related matters

ESG Management Promotion Committee

The ESG Management Promotion Committee is responsible for practical decision-making and oversight related to environment, safety and health, human rights, supply chain, compliance, security, social contribution, transparency, and governance. The committee is chaired by the CEO, with the heads of the Strategy, Finance, and Administrative Centers, the Head of Communication Office, Plant Managers, Heads of Hyosung R&DB Labs and Power & Industrial Systems R&D Center, and the Chief Safety Officer (CSO) serving as members. Among the agenda items of the ESG Management Promotion Committee, important matters that affect the overall business management are reported to and approved by the ESG Management Committee.

2024 Key Agendas	
Environment / Climate Change Response	Review and approval of eco-friendly technology and product research projects Approval of GHG emissions reporting and emissions allowances sales Approval of GHG emissions estimates and plans for subsidiaries
Safety & Health	Report on workplace safety inspections Approval of mid- to long-term goals and strategies for safety and health management
Supply Chain	Collaborative partnerships with the value chain and local communities
Human Rights	Establishment of mid- to long-term human rights management goals and strategies Review and approval of human rights impact assessment results
Social Contribution	Establishment of performance records and plans for social contribution activities
Other ESG Issues	Materiality assessment, establishment and revision of ESG management policies ESG management training performance and future plans Report on global ESG regulatory trends

Composition of Hyosung Corporation's Board of Directors

Board of Directors — A total of 9 members (3 inside directors, 6 outside directors)

Committees within the Board

- Audit Committee
- Outside Director Candidate Recommendation Committee
- Management Committee
- Compensation Committee
- ESG Management Committee

- Composed of 3 outside directors (including the committee chair) and 1 inside director
- Transparent Management Committee

For more details on the board composition, refer to the Governance section on p. 42.

Sustainability Vision and Strategy

The HYOSUNG WAY, which stands for "Enhance and enrich the quality of life for humanity with its leading technology and management capability" carries on the founding ideology of Hyosung's founder, which includes technical progress for the nation, business contributions to the country, and respect for humanity. Hyosung's management philosophy has been centered around "enhancing the value of human life" over the last fifty years, which is consistent with the present emphasis on sustainable management. Hyosung aims to create a safer and more prosperous world by offering sustainable technologies and solutions not only for the present generation but also for future generations, and is actively pursuing sustainable management on its path to becoming a century-old enterprise.

Foundational Spirit: Technical progress for the nation, business contributions to the country, and respect for humanity

Mission: Enhance and enrich the quality of life for humanity with its leading technology and management capability

Strategic Tasks by Area

Environmental	Social	Governance
Green Management Vision 2030 "An environmentally friendly company that enhances and enriches quality of life for humanity" • Reduce GHG emissions by more than 14.5% by 2030 compared to 2018 • Pursue market development and business expansion through development of environmentally friendly technologies • Foster a corporate culture through eco-friendly infrastructure • Enhance stakeholder trust through transparent information disclosure	**Human Rights Management 2030** "Business management that protects and respects human rights of all stakeholders" **Safety and Health 2030** "Establishing a pleasant and safe zero-accident workplace" **Collaborative Partnership with Local Communities 2030** "Expansion of positive impacts for the ecological environment in local communities and evitalization of local culture"	Sustainability leadership enhancement Ethics and compliance management enhancement Integrated risk management Stakeholder communication and information disclosure



Company Status

Category	2021~2023		2024~2027	2028~2030
Goals	Establishment of a sustainability management framework	Completed	Expansion of the sustainability management system application	Sustainability management advancement
Targets	Holding company and 3 operating companies		Holding company, 3 operating companies, and key domestic and overseas subsidiaries	Group-wide
Strategic Tasks	• Establishment of a dedicated committee under the supervision of the Board of Directors and senior executives, as well as organizations, regulations and processes • Expansion of the scope of subsidiaries subject to sustainability data management • Establishment of the mid- to long-term roadmap by sector • Setting and managing key performance indicators by sector	Completed Completed Completed Completed	• Expansion of the scope of sustainability management system to key subsidiaries • Enhancement of activities for sustainable supply chain establishment • Establishment of sustainability data management system	• Establishment of the group-wide integrated sustainability management system • Internalization of sustainability in management activities • Expansion of sustainability across the entire value chain

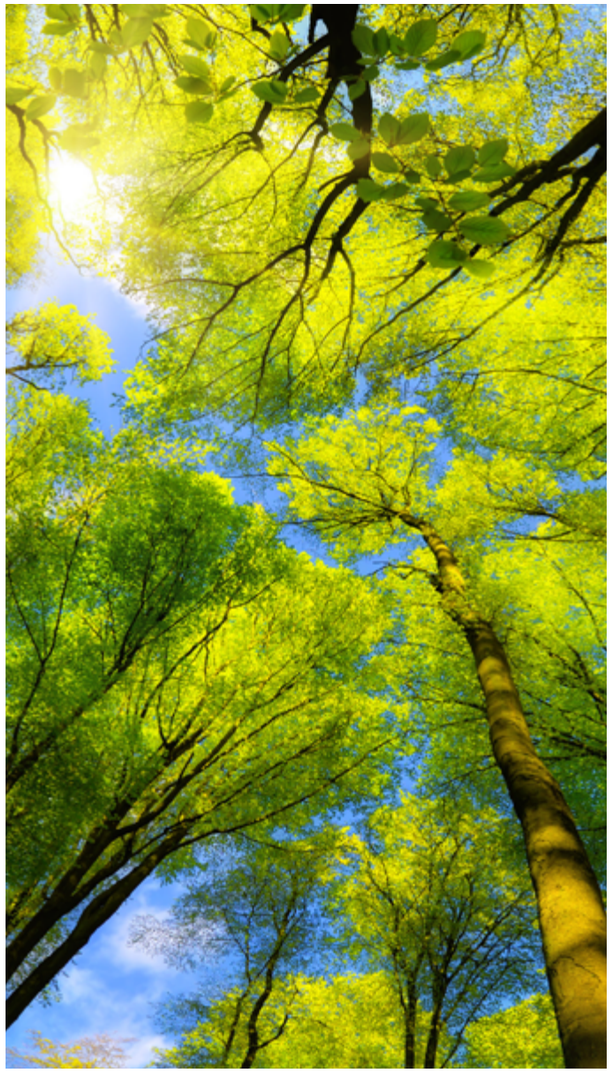
Sustainability Vision and Strategy

Green Management Vision 2030

Hyosung has established Green Management Vision 2030 with the goal of becoming an eco-friendly company that leads to a better life for humanity. The company has set four core goals: reduction of greenhouse gas emissions; development of eco-friendly technologies and market expansion; fostering an eco-friendly corporate culture; and enhancing stakeholder trust. Based on these goals, Hyosung has identified specific action plans and is operating company-wide climate change response strategies.

An environmentally friendly company that enhances and enriches quality of life for humanity

Reduce greenhouse gas emissions by more than 14.5% by 2030 compared to 2018	Pursue market development and business expansion through development of environmentally friendly technologies	Foster a corporate culture through environmentally friendly infrastructure	Enhance stakeholder trust through transparent information disclosure
Reduce greenhouse gas emissions through external reduction programs such as the SDM* under the Paris Agreement	Achieve low-carbon, green growth by expanding renewable energy businesses such as hydrogen, solar, and wind power	Minimize environmental pollution by advancing water and air pollutant management systems	Build a green management system by expanding green and eco-friendly certifications
Reduce greenhouse gas emissions through energy-saving activities at business sites and the expanded adoption of renewable energy	Expand environmentally friendly technological capabilities, such as biodegradable ester oil-based transformers, SF_6 gas alternative insulated switchgear, and non-toxic plastics like polyketone	Reduce water consumption through water recycling and reduce waste emissions through resource reuse	Build stakeholder trust by participating in the Carbon Disclosure Project (CDP**) and environmental information disclosure systems
Ensure efficient greenhouse gas management through the operation of company-wide carbon asset management systems and the product carbon footprint calculation system	Expand circular economy products, such as yarn made from recycled PET bottles and discarded fishing nets, and recycled car mats	Promote ongoing mutual growth and collaborative partnership through energy reduction consulting and equipment installation support for partner companies	Voluntarily participate in international climate change initiatives
Establish a process to identify climate change-related risks and opportunities for risk hedging and opportunity discovery	Develop new markets through energy-efficient technologies such as HVDC and STATCOM	Increase purchases of eco-friendly and green technology products to build sustainable infrastructure	Engage in active communication with local communities and promote environmental cleanup activities through the “One Company, One River/Park/Mountain” campaigns



* Sustainable Development Mechanism (SDM): A sustainability framework under the Paris Agreement
** Carbon Disclosure Project (CDP): A global carbon disclosure initiative

Stakeholder Engagement

Hyosung has identified consumers, workers, shareholders and investors, business partners, and local communities as major stakeholders among the many who trade affects with the company. Also, we actively reflect stakeholders' opinions on business activities by operating stakeholder engagement channels by stakeholder type.

Stakeholder	Key Interests	Communication Channels & Cycles
Customer	• Providing high quality sustainable products and services • Enhancing price competitiveness • Risk management for human rights and the environment • Fortifying sustainability activities	• Company website, blog, SNS, YouTube (ongoing) • Global exhibitions (ongoing) • Technology exchange meetings (ongoing) • Hyosung VoC (Voice of Customer) program (ongoing)
Employee	• Providing fair evaluation and opportunities • Respecting human rights • Vitalizing communication between executives and employees • Enabling work and life balance • Creating safe and healthy working environment	• Intranet "WagulWagul" and "Tong Tong" bulletin boards (ongoing) • HR Counseling Center, Grievance Office, homepage reporting center (ongoing) • Conversations with management (quarterly), Intranet management message (biannual) • Company magazine (monthly), HBS (Hyosung Broadcasting System) (twice a week)
Business Partner	• Activating communication and collaborative partnership • Distributing generated results fairly • Avoiding unjust requirements and unnecessary management interference • Establishing fair trade order • Supporting enhancement of sustainability capabilities	• Business partners meetings (ongoing) • Operating business partners support programs (ongoing) • Homepage reporting center (ongoing)
Shareholder/Investor	• Securing financial soundness and profitability • Securing future growth engines • Securing executive trust and governance transparency • Sustainability risk management	• Corporate Investor Relations (IR) activities (ongoing) • Board Meetings (at least quarterly) and annual general shareholders meeting (once a year) • Business reports (once a year) • Corporate disclosure materials (ongoing)
Local Communities	• Partnership with local communities • Vitalizing communication • Conducting genuine social contribution activities	• Environmental cleanup activities near business sites (monthly) • Social contribution programs (ongoing) • Factory visit events for local residents (at least once a year)

Materiality Assessment

Hyosung Corporation evaluates the impact of our business activities on the environment, society, and the economy (Inside → Out), as well as the impact of sustainability topics on our business performance (Outside → In) to select material topics. Hyosung Corporation, as a holding company is significantly influenced by the business performance of operating companies in terms of profits, as they account for over 85 percent of investment assets on affiliated companies. Consequently, we strategically selected material topics by reflecting key topics of operating companies, issues reviewed by executives, and the demands of investors and major stakeholders. The appropriateness of the previous year's material topics was reviewed, and a final selection of four material topics was made through review and approval by the ESG Management Promotion Committee and the ESG Management Committee under the Board of Directors.

Materiality Assessment Process

STEP 1	Organize sustainability issue pool	Global Sustainability Issues / Global Guidelines / Sector-Specific Issues / 2023 Material Topics	
		※ Hyosung used the issue pool formed by the operating companies. • Environmental: Hyosung TNC - 10; Hyosung Heavy Industries - 6; Hyosung Chemical - 15 • Social: Hyosung TNC - 7; Hyosung Heavy Industries - 10; Hyosung Chemical - 9 • Governance and Other: Hyosung TNC - 2; Hyosung Heavy Industries - 8; Hyosung Chemical - 6	
STEP 2	Identify topics with significant impact and take stakeholder interests into account	Internal	External
		• Employees: Surveys • Key Department Heads: Focus Group Interview (FGI) • Executives: ESG Management Promotion Committee, PU management reports, analysis of board meeting agendas	• Investors: Letters, questionnaires, analysis of requests during meetings • Customers: Analysis of inquiries and demands • Partners: Surveys • Local Communities: Surveys of partner organizations, requests from local governments and Public sector organizations • Sustainability Management Experts: Surveys • ESG Management Auditors: ESG information disclosure requirements • Media: ESG-related news coverage in 2024
STEP 3	Assess the relevance to business performance	In-depth interviews with relevant departments; analysis of financial impact based on scale and likelihood of occurrence; review of contribution rates to equity-method earnings	
STEP 4	Determine priorities through comprehensive analysis	Topic priority selected in steps 1, 2, and 3 + 2024 sustainability performance + 2025 sustainability management plan	
STEP 5	Report to the executives and reflect their feedback	Report to the executives and reflect their feedback	
STEP 6	Decision by the Board	Reflect the Board members' opinions and determine material topics	
STEP 7	Reflect on sustainability management strategies and goals, and disclose them in the report	Reflect 2025 sustainability strategies/goals/business projects Disclose material topic management status in the sustainability report	

※ For detailed materiality assessments by each operating company, refer to their respective sustainability reports (Hyosung TNC, Hyosung Heavy Industries, Hyosung Chemical).
※ The materiality assessment process reflects the combined implementation details of both the holding company and its operating companies at each stage.

2024 Material Topics

Category	Area	Topic	2023 Material Topic
1	Environmental	Response to Climate Change	O
2	Social	Collaborative Partnership with Businesses Across the Value Chain and Communities	O
3	Social	Reinforcement of Workplace Health and Safety	O
4	Environmental	Sustainable Products and Technology Development	O

Changes in Material Topics Compared to the 2023 Sustainability Report

Category	Area
Integrated Topics	None
Excluded Topics	"Reinforcement of Sustainability Leadership and Risk Management" has been reclassified from a separate material topic to a foundational element, and its related activities are now integrated into the governance of all other material topics.
Added Topics	None
Other	None

Materiality Assessment

Performance and Plans for Each Material Topic

Area	Topic	Significance of the Topics to Hyosung	2024 Performance	2025 Implementation Plans	Relevant GRI Disclosures
Environmental	Response to Climate Change	• It is essential to implement GHG reduction targets and expand carbon emissions management to reduce the impact of climate change • Demands from major clients and investors for GHG reduction at business sites and in products are increasing	• Hyosung Corporation carried out 8 GHG reduction investments (approx. 800 tons/year, 2.7% reduction in 2024 emissions). • Conducted third-party verification of Scope 1 and 2 emissions from major subsidiaries for 2024 • Calculated Scope 3 emissions from major manufacturing subsidiaries for 2024	• Established a governance structure to implement Hyosung's GHG reduction plans • Implemented 2 GHG reduction investments (approx. 150 tons/year, 0.5% reduction in 2024 emissions) • Conducted third-party verification of Scope 3 emissions from major manufacturing subsidiaries for 2024 • Assessed climate-related risks and opportunities for major manufacturing subsidiaries for 2024	GRI 201 GRI 302 GRI 305
Social	Reinforcement of Workplace Health and Safety	• Employees at manufacturing plants and research centers are at high risk of safety incidents, which may also impact nearby communities. • Strengthened legal requirements for health and safety mean that major accidents could result in operational shutdowns and significant financial losses.	• Hyosung Corporation's 2024 accident rate: 0.2% • Integrated risk assessment regulations at Anyang plant and conducted consulting with specialized agencies for risk assessment system operation • Strengthened communication with employees and contractors - Held Occupational Safety and Health Committee meetings quarterly - Held monthly Health and Safety Council meetings with contractors • Supported 8 contractors in establishing safety and health management systems	• Established a risk assessment operation system • Supported contractors in establishing safety and health management systems and enhanced collaborative partnership • Expanded employee participation in safety prevention systems through safety culture campaigns • Enhancing emergency response training and improving emergency medical response system	GRI 403
Social	Collaborative Partnership with Businesses Across the Value Chain and Communities	• To fulfill Hyosung's mission, "Enhance and enrich the quality of life for humanity with its leading technology and management capability," it is essential to build a sustainable supply chain, promote the spread of eco-friendly materials and technologies through customers, and cooperate with local communities • Hyosung aims to establish a virtuous circle system by identifying the mutual impacts shared with its partners, amplifying positive effects, and mitigating negative ones to foster mutual growth	• Supported ESG education and consulting to 19 suppliers of major subsidiaries, including 3 suppliers of Hyosung Corporation • Supported the development of sustainable material products at our operating companies including: - Polyketone tableware, garment recycling, etc. • Signed mid- to long-term MoUs to support local economies and biodiversity (two joint agreements by Hyosung, and one agreement by an operating company in 2024).	• Enhanced the supplier selection process for support programs • Refined supply chain due diligence items and strengthened monitoring of post-support improvement results; enhanced grievance communication with supported suppliers • Expanded stakeholder engagement through MoUs and established a long-term implementation foundation • Increased employee participation in community engagement activities	GRI 203 GRI 304 GRI 308 GRI 414
Environmental	Sustainable Products and Technology Development	• Define sustainable products based on the green taxonomy and communicate environmental impacts transparently with stakeholders to spread positive influence within the industry • Expand the development of products using recycled and bio-based materials to reduce negative environmental impacts and secure new growth engines • Global environmental regulations are tightening, and customer demand is increasing for low-carbon, pollution-reducing, and energy-efficient products	• Verified the alignment of the sustainable product classification system (6 items removed, 6 revised, 2 newly added) • Invested KRW 17.3 billion in R&D for environmental sustainability by Hyosung Corporation - Developed products using bio-based materials - Developed recycling technologies - Developed technologies and products for eco-friendly power grids • Sales of recycled and bio-based products at Hyosung Corporation increased by 9.6% compared to the previous year	• Continued validation and performance management of the sustainable product classification system • Invested KRW 22.8 billion in R&D for environmental sustainability by Hyosung Corporation - Developed chemical recycling (C/R) technologies for PET waste fabric - Developed grid analysis technologies for expanding into the offshore wind power equipment market • Hyosung Corporation: Continuous expansion of sales from recycled and bio-based products	GRI 201 GRI 301

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Focus Issues

Response to Climate Change

Why So Important?

Tackling climate change is an essential task for not only present generation, but also the survival of future generations. As a global company engaged in diverse business activities, including textiles, chemicals, heavy industries, and IT equipment and services, Hyosung clearly recognizes that greenhouse gas emissions and energy consumption across the entire business value chain significantly affect climate change and the climate crisis.

Our Approach

Hyosung supports carbon neutrality policies of the international society and Korean government, participating in climate actions. In 2023, Hyosung Corporation revised and raised its greenhouse gas reduction targets. To meet these goals, the company is working to reduce emissions throughout the entire lifecycle of its products and services. Additionally, we have calculated emissions of the subsidiaries, which account for 90% of sales in consolidated basis, disclosing the calculation in Sustainability Report and CDP report transparently. We are gradually expanding the scope of greenhouse gas emission calculation and improving the accuracy of information through external verification.

Our Achievement

- Hyosung Corporation carried out 8 greenhouse gas reduction investments (approximately 800 tons/year, reducing 2.7% of 2024 emissions).
- Compared to the previous year, Hyosung Corporation reduced its emissions by 1.1%.
- Conducted third-party verification of Scope 1 and 2 emissions from major subsidiaries for 2024
- Calculated Scope 3 emissions from major manufacturing subsidiaries for 2024

[2025 Goals]

- Establish a governance structure to implement Hyosung Corporation's greenhouse gas reduction plans
- Carry out 2 greenhouse gas reduction investments (approximately 150 tons/year, reducing 0.5% of 2024 emissions)
- Conduct third-party verification of Scope 3 emissions from major manufacturing subsidiaries
- Identification of climate risks and opportunities in 2024 for major manufacturing subsidiaries

Governance for Response to Climate Action

Hyosung Corporation has established and operates the ESG Management Committee within the Board of Directors to oversee company-wide responses to climate change. We manage climate change issues primarily through the ESG Management Promotion Committee and the R&D Committee, the top decision-making bodies under the CEO, and report key matters to the Board of Directors.

Decision-Making Body

- **ESG Management Committee**: Manages and supervises sustainability risks such as climate change
- **ESG Management Promotion Committee**: Manages and supervises policies, goals, strategies, and their implementation
- **R&D Committee**: Establishes strategies for products and technology development for greenhouse gas emissions reduction

Operational Organizations

- **ESG Management Department**: Establishes strategies, manages implementation, and discloses performances
- **Power and Production Department**: Develops and implements energy and greenhouse gas reduction projects

Responsibilities of the Board of Directors

The ESG Management Committee within Hyosung Corporation's Board deliberates on ESG policies and goals, including climate change, risk management, investment, and activity plans. Since April 2023, the committee includes a former Minister of Trade, Industry and Energy—an expert in climate and energy—as an outside director.

2024 Agendas Reviewed by the Board of ESG Management Committee

- Report on 2023 GHG emissions and projected surplus/shortfall
- Report on 2023 performance and the 2024 plan for climate change response support in the supply chain
- Report on finalized 2023 GHG emissions and the sale of emission allowances

Responsibilities of the Senior Executive Management

The ESG Management Promotion Committee, chaired by the CEO of Hyosung Corporation, convenes quarterly to review management issues related to the climate crisis and select key agenda items for board approval. The committee includes executives overseeing strategy, finance, support, operations, and R&D to ensure decisions are swiftly implemented across business units.

The R&D Committee, which includes the CEO and executives, meets semiannually to establish R&D strategies for climate change. It incorporates feedback from departments involved in sales, marketing, product development, and research.

2024 Agendas Reviewed by the ESG Management Promotion Committee

- Report on finalized 2023 GHG emissions and the sale of emission allowances
- Report on GHG emissions calculation results of subsidiaries and future plans
- Report on projected 2024 GHG emissions and expected surplus/shortfall
- Report on 2024 performance and the 2025 plan for climate change response support in the supply chain
- Report on 2024 performance and the 2025 plan for environmentally friendly technology and product R&D projects

Response to Climate Change

Climate Action Strategies

Hyosung Corporation identified and assessed risks and opportunities based on the climate risk classification system included in the TCFD framework, and established response strategies to proactively respond to climate crises. We identified the transition risks, physical risks, and opportunity factors that companies are facing due to climate change, and based on them, we identified the financial impact of each factor on their business activities.

Financial Impacts & Response Strategies for Climate Change Risks and Opportunities

Category		Definition	Period*		Financial Effects on Hyosung Corporation**	Action
Transition Risk	Policy/ Regulation	· Enhancement of carbon regulations such as Emissions Trading System, EU Carbon Border Tax, etc.	Long-term	●	· Increase in the cost for following global climate change regulations · Increase in the cost for emission allowances due to reduction of greenhouse gas allocations in the Korea Emissions Trading System and an increase in the proportion of auction-based allocations · Decrease in price competitiveness in consequence of the increased costs of product due to regulatory compliance	· Monitoring domestic and international climate change policies/regulations trends and establishing response strategies · Establishing and implementing action plans pursuant to 2030 NDC targets for the industrial sector and Hyosung Corporation's reduction goals · Establishing mid- to long-term roadmap to achieve the industrial sector goals of the national 2050 carbon neutrality scenario
	Market	· Demands of customers/consumers to reduce carbon emissions and acquire environmentally friendly certification · Increase in demands to join RE100 · Uncertainty following changes in supply chain and market environment	Mid- to long-term	-	· Decrease in sales of the existing products due to reduced demands of high-carbon products · Rise of costs due to REC purchase and increased electricity expenses · Rise of costs following the changes in the supply chain for environmentally friendly raw materials	· Conducting sustainable products R&D and acquiring environmentally friendly certification · Expanding the sourcing of renewable energy through measures including the Green Premium rate system and the Renewable Energy Certificates(REC) purchase (ongoing) · Diversifying supply chains and continuing to discover low-carbon raw material supply chains
	Technology	· Transition to environmentally friendly, low-carbon technologies/ products	Mid- to long-term	-	· Increase in costs for low-carbon technology R&D investment · Increase in costs for low-carbon recycling and use of bio-based materials · Increase in investment costs for reducing greenhouse gas emissions and high-efficiency energy facilities	· Securing technologies to minimize GHG emissions based on recycling and bio-based materials · Promoting the low-carbon product development by calculating carbon emissions throughout the entire product lifecycle
	Reputation	· Stakeholders' demands for climate change action and information disclosure	Short- to mid-term	●	· Unfulfilling stakeholder demands may lead to difficulties in investment procurement and higher costs for financing interests	· Disclosure of climate response strategies in the sustainability report and homepage · Respond to external ESG evaluations · Active participation in information disclosure including TCFD and CDP
Physical Risk	Acute	· Increase in frequency and intensity of the extreme weather conditions such as typhoons and floods	Short-term	●	· Loss and operational halt of production facilities · Potential damage due to loss of inventory assets such as raw materials and finished products · Increase in investment costs for improving facilities such as waterproofing and drainage systems	· Complementary investments to prepare for extreme weather conditions, such as excessive rainfall (e.g., flood prevention walls) · Conducting workplace safety inspections and developing accident response manuals · Disaster insurance acquisition
	Chronic	· Long-term climate change patterns such as sea-level rise and increase of average temperature	Long-term	-	· Increased heating and cooling expenses to preserve the quality of the products and working environment · Operational halt due to workplace flooding · Expenses associated with the relocation of the workplace	· Introduction of high-efficiency heating and cooling systems · Relocation of the workplace to a safe area
Opportunities	Energy Source	· Increase in demands for renewable energy driven by declarations such as RE100 and carbon neutrality	Mid- to long-term	-	· Decrease in investment procurement or financing expenses as a result of policy subsidies or incentives	· Establishing mid- to long-term renewable energy usage plan and conducting analysis of cost-effectiveness by renewable energy procurement option (ongoing) · Securing incentives through participation in government support programs including national carbon neutrality support project
	Product/ Service	· Expansion of the sustainable product market in line with the circular economy activation, including the use of recycled products · Increased market demand for carbon-reducing bio-based plastic materials	Short- to mid-term	●	· Increase in sales due to rising demand for recycled and low-carbon products · Reduction of energy cost by improving manufacturing process energy efficiency to decrease carbon footprint	· Gradual expansion of product development based on recycled and bio-based materials · Achieving a competitive edge through LCA (Life Cycle Assessment) and products' carbon footprint reduction · Expanding environmentally friendly certified products and supporting raw material suppliers to achieve certification
		· Expansion of new markets such as carbon absorption	Long-term	-	· Entry into new markets and increase in sales by diversifying business portfolio	· Establishing and implementing participation plans for new business projects such as carbon capture and sinks (ongoing)
	Market	· Generating profits through participating in the Emissions Trading System	Short- to mid-term	●	· Revenue from the sales of emission allowances through internal and external reduction projects	· Conducting continuous greenhouse gas emissions reduction activities and external reduction projects

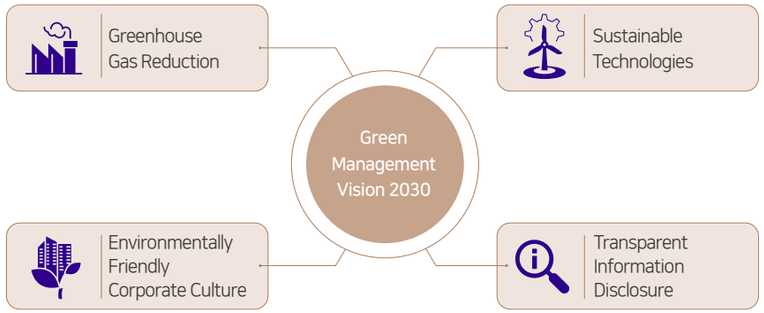
*Short-term (1–3 years), Mid-term (3–5 years), Long-term (5–10 years) ** Financial Effects: High (●) More than KRW 1 billion per year, Medium (●) KRW 500 million–1 billion per year, Low (●) Less than KRW 500 million per year

Response to Climate Change

Climate Action Strategies

Green Management Vision 2030

To identify and systematically manage climate change risks and opportunities, Hyosung has established the "Green Management Vision 2030." Under four key objectives—greenhouse gas reduction, environmentally friendly technology development and market expansion, fostering an environmentally friendly corporate culture, and enhancing stakeholder trust—Hyosung has developed and is implementing a company-wide climate change response strategy. (See more →)



Participating in Global Climate Crisis Response Initiatives

Hyosung Corporation declared its support for the Task Force on Climate-related Financial Disclosures (TCFD) in 2022 as part of its commitment to international cooperation on climate crisis response. Accordingly, we publish sustainability report aligned with TCFD recommendations. Additionally, Hyosung Corporation participates in the Textile Industry Greenhouse Gas Reduction Research Group of the Korea Chemical Fibers Association, actively exchanging and sharing greenhouse gas reduction know-how in collaboration with other textile manufacturers.

Climate Disclosure & Collaboration	Textile Industry Greenhouse Gas Reduction Research Group
Korea TCFD Alliance	한국화학섬유협회 Korea Chemical Fibers Association

Climate Change Scenario Analysis

Category	Scenario Type	Analysis Scope	Temperature Change Applied	Analysis
Transition	Modification of Korea's 2030 NDCs* and 2050 carbon neutrality scenario	Company-wide	1.6℃ – 2℃	• Hyosung Corporation has established a greenhouse gas reduction goal of 23.6% by 2030 in comparison to 2018, surpassing the sector target outlined in Korea's 2030 NDCs. We have also established action plans to achieve this goal. • Hyosung Corporation plans on achieving 2050 carbon neutrality scenario sector targets through additional analysis and establishment of transition plans.
Physical	High carbon scenario, RCP 8.5**, provided by the Korea Meteorological Administration	Company-wide	7.0℃ (Based on the Korean Peninsula in the year 2100)	• The Korea Meteorological Administration, considering SSP5-8.5, predicts that by 2100 compared to 2019: The average temperature will rise by 7.1℃ (from 12.4℃ to 19.5℃), the length of summer will increase by 72 days (from 97 days to 169 days), and precipitation will increase by 51.5% (from 1,254.5 mm to 1,900.9 mm). • In the area where Hyosung Corporation's Anyang plant is located, the number of extreme heat days is expected to rise from 24 days in 2023 to 118 days in 2100, an increase of about 5 times. • Due to the characteristics of textile products, Hyosung Corporation anticipates risks such as flooding and leakage, deterioration in product quality caused by high temperature and humidity, worsening working conditions for employees due to high temperatures and increased cooling costs, as well as potential human and property damage caused by flooding. Accordingly, response measures are being prepared.

* NDCs (Nationally Determined Contributions): National greenhouse gas reduction targets
** SSP 5-8.5: A scenario from the Shared Socioeconomic Pathways (SSP), which assumes rapid industrial and technological development, heavy reliance on fossil fuels, and widespread, unregulated urban expansion

Mid-to-Long-Term Climate Action Roadmap

Category		2018	2022	2023	2024	2025	2026~2029	2030
Goals (Parent Company)	Hyosung Corporation	Base Year	Gradual annual reduction of 1.0~4.0%					23.6% Reduction
	Operating Companies		Annual 1.2% reduction (under review for increase)					14.5% Reduction
Detailed Implementation Plan	GHG Inventory Development	Scope 1&2	Manufacturing Companies	Major Subsidiaries	All Subsidiaries			
		Scope 3	Parent Company		Manufacturing Companies	Major Subsidiaries		
		Lead agency for emissions calculation	Parent Company	Subsidiaries				
	Risk and Opportunity Identification & Assessment	Physical Risk (SSP5-8.5)	Parent Company		Manufacturing Companies	Major Subsidiaries		
		Transition Risk (Based on revised Korean 2030 NDC & Carbon Neutrality Scenario):	Parent Company		Manufacturing Companies	Major Subsidiaries		
	Reduction Implementation		Fuel switching, high-efficiency equipment replacement, process improvement					
			Renewable energy generation or purchase					
					Raw material transition			

* The above reduction targets are set per legal entity for each operating company.
** This roadmap is subject to change depending on the business conditions of each operating company.

Response to Climate Change

Climate Risk Management

Climate Risk Management Process

Hyosung Corporation has established and operates a risk management process to systematically identify and respond to risks and opportunities related to climate change.
* Risk management process (see more)

The company updates its risk management status annually to identify new risks and improve the quality of response strategies. Major risks are reported not only to the executive team but also to the ESG Management Promotion Committee as formal agenda items, and response measures and implementation progress are evaluated annually.

Smart Factory Establishment

Hyosung designated the establishment of smart factory as its policy, continuously enhancing the system. Smart factory connects all resources related to production to business sites in real-time and maintains the optimized production environment by analyzing the collected data. This approach not only improves production yield but also reduces energy consumption and greenhouse gas emissions.

Activities for Greenhouse Gas Emissions Reduction

Hyosung Corporation's Greenhouse Gas Emissions Reduction Activities at Business Sites

Electricity consumption reduction is a critical strategy for Hyosung Corporation's reduction activities, as it accounts for approximately 70% of its total greenhouse gas emissions. In 2024, the company carried out 8 reduction performances, including the installation of high/low-pressure refrigerated dryers, automated dew point control systems, and the replacement of pumps with high-efficiency models, resulting in approximately 800 tons of annual greenhouse gas reductions. In 2025, Hyosung Corporation plans to implement 2 additional measures, such as unifying steam lines and reducing electricity costs, which are expected to achieve an annual reduction of around 150 tons of greenhouse gas emissions.

Activities for Greenhouse Gas Emissions Reduction

Efforts to Reduce Product Carbon Emissions

In 2022, Hyosung Corporation received carbon labeling certification for three types of automative floor carpets made from polyester, nylon, and bio-polyester. In 2023, 7 additional products were included in the evaluation, totaling 10 products. For these, Hyosung Corporation conducted Life Cycle Assessments (LCA) based on ISO 14044, covering 16 environmental impacts including greenhouse gas emissions, water use, ozone depletion, and eutrophication. Third-party verification was completed in 2024, and LCA assessments are planned for the same 10 products in 2025.

Products Subject to Life Cycle Assessment

- Polyester automative floor carpet/automotive floor mat
- Nylon automative floor carpet/automotive floor mat
- Bio-polyester automative floor carpet/automotive floor mat
- Recycled polyester automative floor carpet/automotive floor mat
- Recycled nylon automative floor carpet/automotive floor mat

The pre-manufacturing stage is responsible for 68–93% of the total carbon emissions in general products, with nylon and polyester fibers contributing 10–71% of the emissions. Consequently, Hyosung Corporation is committed to minimizing the carbon footprint of its products by increasing the utilization of bio and recycled materials.

Energy Conservation Consulting and Equipment Installation Support for Suppliers

Hyosung provides energy diagnosis consulting for energy and greenhouse gas emissions reduction of suppliers. We diagnosed the processes and on-site environments of suppliers. The diagnostic results we provided include issues, improvement plans, investment costs, and an analysis of cost-efficiency. Moreover, for actual greenhouse gas emissions reduction achievement, we supported the costs of facility replacements associated with reducing greenhouse gas emissions.
In 2024, Hyosung Corporation supported LED lighting replacements for major raw material suppliers, which is expected to reduce annual electricity consumption by 14MWh and greenhouse gas emissions by 6.5 tons.

Raising Awareness of the Climate Crisis

Climate Crisis Education for Employees

Hyosung provides climate crisis awareness education to all employees. In April 2024, an external expert was invited to give a lecture titled "Science and Technology Policies and Trends That Companies Should Watch: Focusing on Carbon Neutrality and Climate Tech Business Strategies." In August, internal online training was held under the theme "Climate Change and Biodiversity," covering environmental changes due to climate change, carbon neutrality, and climate adaptation. New employees receive annual training on the climate crisis and carbon neutrality. Upon request from business divisions, Hyosung also provides customized training on topics such as the Emissions Trading System, Carbon Border Adjustment Mechanism (CBAM), and LCA methodology, tailored to practical business needs.

Expansion of Climate Crisis Awareness among Stakeholders

Hyosung Corporation provides sustainability education and consulting for suppliers on the importance of climate action and environmentally friendly business management. A consulting firm commissioned by Hyosung Corporation visited the business sites to interview the CEO and conducted education and consulting to the relevant personnel by function. In 2024, Hyosung Corporation provided climate related education and consulting for 3 suppliers.
Additionally, in April and October 2024, we educated the University Student Supporters of Hyosung on sustainability management and climate action. In May, the Supporters participated in the Marine Forest Conservation Event with our employees.

Response to Climate Change

Climate Change Metrics and Targets

Energy Consumption and Greenhouse Gas Scope 1 & 2 Emission Management

Hyosung monitors monthly energy consumption and Scope 1 and 2 greenhouse gas emissions at each business site through its in-house greenhouse gas management system. Some subsidiaries already use this internal system, with plans to expand its usage gradually.

To manage emissions from major subsidiaries, Hyosung Corporation provides training on calculating greenhouse gas emissions using a greenhouse gas calculator and collecting/managing energy usage data. In 2024, 14 subsidiaries conducted Scope 1 and 2 emissions estimations and internal verifications, and 10 of them also underwent third-party verification.

Assignment of Climate Change KPI and Evaluation

Hyosung implements a performance evaluation system assigning KPI related to sustainability management by department, in order to yield actual results. Specifically, climate change related performance indicators are assigned and evaluated for all members and senior executives (including C-Level) of the teams related to energy conservation and greenhouse gas emission reduction, including ESG Management Team, Production Team and Utility Team. Incentives are provided according to the evaluation results.

Implementation of Internal Carbon Pricing System

Hyosung has implemented an internal carbon pricing system that can be employed in strategic decisions, including mid- to long-term business initiatives and facility investments. This system assists in the exploration of opportunities and the management of climate change risks. The internal carbon price is announced by Hyosung every October, and guidelines for the calculation of carbon emissions and economic assessments, as well as a greenhouse gas emissions calculator, are distributed. This approach facilitates accounting for the cost of surplus or shortage of emissions allowances under the Emissions Trading System, establishing energy usage plans for business sites, and conducting economic analyses based on greenhouse gas emissions when investing in facilities.

Greenhouse Gas Scope 3 Management

Hyosung Corporation began estimating Scope 3 emissions in 2018 and discloses the results annually in its CDP report.

For 2023, Hyosung Corporation calculated Scope 3 emissions for 9 out of the 15 categories. In particular, in the capital goods category, the company expanded its coverage by calculating emission factors by industry type and including items such as machinery and buildings. The 2024 Scope 3 emissions will be calculated and disclosed in the second half of 2025. Hyosung Corporation plans to expand the list of items covered in the purchased goods and services category and to start estimating processing-phase emissions for sold products.

Cate-gory	Details	Calcula-tion	Emission Rate	Notes
1	Purchased products and services	O	12.8%	
2	Capital goods	O	0.2%	Some items excluded where emission factors are unavailable (e.g., IT systems, trademarks)
3	Fuel and energy related activities not included in Scope 1 and 2	O	0.8%	
4	Upstream transportation and logistics	O	0.1%	
5	Operational waste	O	0.1%	
6	Business travel	O	0.1%	
7	Employee commuting	Not applicable	-	Included in Scope 1 and 2 GHG emissions under the domestic emissions trading system
8	Upstream leased assets	Not applicable	-	Included in Scope 1 and 2 GHG emissions under the domestic emissions trading system
9	Downstream transportation and logistics	O	0.3%	
10	Processing of sold products	X	-	Difficulties in tracking emissions in the processing phase
11	Utilization of sold products	Not applicable	-	Emissions in the usage stage does not exist due to key product characteristics (e.g., carpet)
12	End-of-life treatment of sold products	O	7.8%	
13	Downstream leased assets	Not applicable	-	Included in Scope 1 and 2 GHG emissions under the domestic emissions trading system
14	Franchise	Not applicable	-	No franchise operations
15	Investment	O	77.8%	Includes 4 affiliates

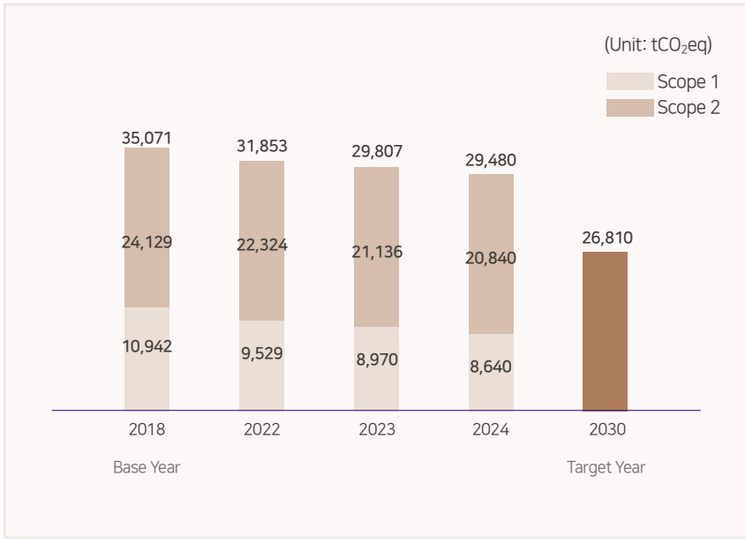
In addition, for subsidiaries, 3 manufacturing companies are currently in the process of calculating their 2024 Scope 3 emissions, with verification scheduled for the second half of 2025. Hyosung Corporation plans to gradually expand the Scope 3 calculation coverage to include its major subsidiaries.

Greenhouse Gas Reduction Implementation

Hyosung Corporation and operating companies aim to reduce Scope 1 and 2 emissions by at least 14.5% (1.2% annually) by 2030 compared to 2018.

In July 2023, Hyosung Corporation's Board-level ESG Management Committee raised the corporate reduction target to 23.6% by 2030 (relative to 2018 emissions). As of 2024, Hyosung Corporation had achieved 67.7% progress toward this goal. To meet reduction targets, Hyosung formulates and implements annual investment plans for energy-saving facilities, and all related departments—including planning, R&D, production, and utilities—develop mid- to long-term reduction plans, which are regularly reviewed by the ESG Management Committee and the Board of Directors. In addition, the company has completed building greenhouse gas inventories for its subsidiaries and will progressively establish and execute subsidiary-specific reduction targets, tailored to each industry's characteristics.

Hyosung Corporation Greenhouse Gas Emissions and 2030 Target Emissions



Reinforcement of Workplace Health and Safety

Why So Important?

The manufacturing plants and R&D centers operated by Hyosung Corporation are, by the nature of their industries, environments where workers may be exposed to safety risks. Accidents occurring in these facilities could also have negative effects on neighboring communities.
With occupational health and safety regulations becoming increasingly stringent, the financial risks associated with serious industrial accidents—such as operational shutdowns and fines—are also growing.
As a result, strengthening safety management systems at worksites and systematically protecting employee health and well-being have become a core priority for Hyosung's corporate sustainability.

Our Approach

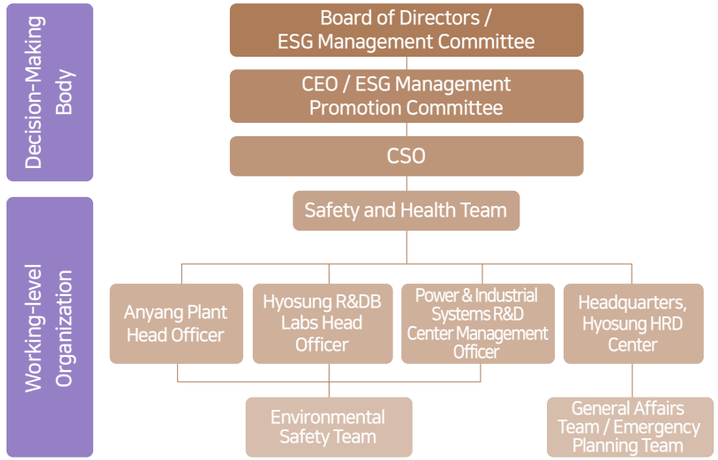
Hyosung Corporation has set a goal of achieving "ZERO serious injuries and industrial accidents" and is implementing a mid-to-long-term health and safety roadmap to meet this target. This roadmap reflects updates to relevant laws and regulations as well as internally identified areas for improvement. Under the roadmap, the company has strengthened on-site safety inspections such as risk assessments and is taking corrective actions to eliminate identified hazards completely. Through these initiatives, Hyosung Corporation aims to continually improve workplace safety and establish a culture that protects the health and lives of all employees.

Our Achievement

- 2 industrial accidents at Hyosung Corporation
- Established the 2030 Health and Safety Roadmap
- Establishment and amendment of 7 Safety and Health Management regulations
- Conducted risk assessment of Anyang Plant, Hyosung R&DB Labs, and Power & Industrial Systems R&D Center, including in-house subcontractors
- Hyosung Corporation identified 871 non-conformities through safety inspections, achieving a 100% improvement rate

Health and Safety Governance

Hyosung Corporation manages and oversees health and safety risks and issues through the ESG Management Committee under the Board of Directors and the ESG Management Promotion Committee under the CEO. The Chief Safety Officer (CSO) regularly reports on the status of health and safety management as well as issues to the ESG Management Promotion Committee. The Safety and Health Team oversees the overall safety management system across all facilities.
Each worksite has a designated person responsible for safety and health, who leads the planning and implementation of industrial accident prevention initiatives. Sites such as the Anyang Plant, Hyosung R&DB Labs, Power & Industrial Systems R&D Center operate dedicated Environmental Safety Teams that handle safety, health, environment, and fire safety matters.
To strengthen communication with workers, each site operates a quarterly Occupational Health and Safety Committee and a monthly Health and Safety Council that includes subcontractors. Additionally, a monthly Health and Safety Performance Review chaired by the CEO is held to report on safety and health issues.



2024 Safety and Health Agendas from the ESG Management Promotion Committee/Board of Directors

ESG Management Promotion Committee	Establishment of mid-to-long-term health and safety goals and strategies; reporting of changes in safety managers; quarterly reporting of site safety inspection results; promotion of accident-free initiatives; planning and reporting of CPR training; compliance check results for safety-related laws and regulations
Board of Directors	2024 safety and health plans, safety accident status and safety inspection status

2030 Health and Safety Roadmap

Mid-to-Long-Term Goals	2023 Establishment of Safety and Health Management System (completed)	Performance	~2026 Establishment of a Self-Discipline Prevention System	~2028 Strengthening the Self-Discipline Prevention System	~2030 Achievement of a Global-Level Safety and Health Management System
Major Tasks	· Maintenance and compliance of related laws and regulations · Maintenance of the Occupational Health and Safety Management System certification (ISO 45001) · Promotion of zero-accident campaign at business sites · Focused management of high-risk facilities for serious industrial accidents	· 8 improvements completed in 2023, 7 in 2024 · Follow-up audits completed in 2023 and 2024 · Achieved a 1x multiplier at the Power & Industrial Systems R&D Center · All 96 target facilities fully inspected	· Establishment of risk assessment operation system · Enhancing collaborative partnership through safety and health management system establishment of the in-house sub-contractors · Increasing employee participation through safety culture campaigns · Enhancing emergency response training and improving emergency medical response system	· Improving risk assessment execution capability through field-oriented training · Enhancing supervisor capabilities through training by professional institutions · Raising safety awareness and proliferating safety culture through engagement and cooperation	· Establishment of global business sites safety and management system and enhancing management · Enhancing collaborative partnership by supporting safety and health management system of external business partners · Incorporation of a global-level safety culture through voluntary participation of all workers
LTIFR*	0.0		0.0	0.0	0.0

* LTIFR (Lost Time Injury Frequency Rate) = (Number of Lost Time Injuries * 1,000,000) / Total Employee Working Hours (Number of Lost Time Injuries per 1,000,000 working hours)

Promotion Strategies (See more)	Awareness Improvement	System Improvement	Worksite Environment Improvement	Feedback Collection	Stakeholder Safety Management

Reinforcement of Workplace Health and Safety

Enhancement of Safety and Health Management System

Establishing Safety and Health Policy

Hyosung has established a safety and health policy to prevent accidents across all business operations and to protect the safety and health of stakeholders, including employees.

Key Policy Components	
Scope of Application	· All domestic and international stakeholders, including employees, partners, and distributors
Safety, Health, and Environment (SHE) Policy	· Sets targets for SHE aspects as part of corporate social responsibility
Governance	· Operation of decision-making bodies, working-level organizations, and consultative bodies, as well as the labor-management communication mechanism, with clear roles and responsibilities
Action Plans	· Establishment of a self-discipline prevention system, accident prevention measures, improvement of safety consciousness, and 12 key safety and health promotion activities

Workplace Risk Assessment and Improvement Activities

Workplace risk assessment is the process of identifying hazards and risks that may cause injuries or illnesses and establishing and implementing preventive measures. In 2024, Hyosung revised its risk assessment process and conducted a total of 1,168 assessments (Anyang Plant: 642, Hyosung R&DB Labs: 466, Power & Industrial Systems R&D Center: 60), including those for in-house subcontractors. Of the 631 issues identified for improvement, all were resolved. Results and improvement actions from the risk assessments are shared with employees, and continuous maintenance and management are being carried out.

Incorporation of Safety and Health Performance Evaluation

To enhance the management responsibility for safety and health management, Hyosung reflects the safety and health related KPIs on the performance evaluation of executives, team leaders at business sites, management officers, supervisors, etc. The KPIs have been revised to focus on the number of accident occurrences and evaluation of compliance with the Serious Accidents Punishment Act.

Improving Safety and Health Awareness and Enhancing Communication

Conducting Safety and Health Training

Hyosung provides statutory and role-specific safety and health training, such as quarterly training for office workers, biannual training for safety and health personnel, and job-specific training on risk assessment and leadership for supervisors (as of 2024, 1,695 individuals have completed training).

Campaign for Zero Accident at Business Sites

Hyosung Corporation initiated a zero-accident campaign in March 2023 to improve the safety awareness of employees and sub-contractors and to establish an accident-free work environment. Rewards are distributed to all employees and those who have made substantial contributions upon attaining the desired number of accident-free days.

- Launched at the Power & Industrial Systems R&D Center in March 2023; expanded to Anyang Plant and Hyosung R&DB Labs in June 2024

8 Action Plans for Zero Accident

Worker safety pledges	Enhancing risk assessment effectiveness
Zero-accident flag relay	Strengthening safety inspections supervised by responsible personnel
Safety greetings and near-miss accident case improvement	Promoting safety culture
Hazard prediction training	Active communication

Promotion of Safety Communication

Hyosung Corporation collects safety improvement feedback from employees and partners through its Occupational Safety and Health Committee and Health and Safety Council, and actively incorporates it in its practices.
In 2024, Hyosung Corporation also installed "Safety and Health Suggestion Boxes" at six locations within the Anyang site. This allows all employees, including those from subcontractors, to freely submit safety- and health-related suggestions at any time.



Registered suggestions are evaluated for effectiveness and incorporated into improvement actions. In order to encourage the opinions and suggestions of employees and subcontractors, we included in the Occupational Safety and Health Committee's operational regulations a provision prohibiting disadvantages against proposers as well as awarding outstanding suggestions.

Category	Number of Approved Agendas	Number of Improvement
Occupational Safety and Health Committee	16	16
Health and Safety Council	56	56
In-House Health and Safety Suggestions	188	188
Total	260	260

Strengthening Management of Workplace Environment

Performing Safety Inspections and Improvement Activities

To ensure the safe operation of its workplaces, Hyosung Corporation conducts daily inspections, themed inspections, joint labor-management inspections, and subcontractor inspections. All non-conformities identified during inspections are 100% corrected.

Category	Cycle	Inspection Details	Number of Non-Conformities	Improvement Rate
Daily inspections	Daily	Compliance with checklist items	141	100%
Themed inspections (Manager-led)	Monthly	Manage pre-inspection items; Conduct full checks during patrols	678	100%
Joint labor-management inspections	Quarterly	Review of union and worker representative requests; Inspection of corrective actions	16	100%
Subcontractor inspections	Monthly	Evaluation of subcontractor safety management	36	100%

Detailed Safety Inspections of Laboratories

During the 2024 regular and comprehensive safety inspections of laboratories, the Hyosung R&DB Labs was assessed. The evaluation revealed that 90% of its laboratories received a Grade 1 rating, indicating excellent safety standards, while the remaining 10% received a Grade 2 rating, indicating satisfactory safety standards. The laboratories at Power & Industrial Systems R&D Center were all awarded a Grade 1 rating. All 38 identified concerns from the inspection have been completely fixed.

Category	Laboratories	Grade 1	Grade 2	Identified Issues
Hyosung R&DB Labs	72	65(90%)	7(10%)	32
Power & Industrial Systems R&D Center	14	14	-	6

* Grade 1: The laboratory safety environment is unaffected, and safety is maintained.
* Grade 2: While some defects are identified in the laboratory safety environment and research facilities, they do not have a substantial impact on safety. Improvement is required.

Efforts to Address and Prevent Occupational Accidents

In response to two industrial accidents that occurred in 2024, Hyosung Corporation conducted thorough analyses of the root causes and implemented corrective measures to prevent recurrence.

Accident Type	Corrective Action
Falling parts	Strengthened PPE requirements and improved transport devices for parts
Cover detachment	Changed the material of the cover and improved fastening methods

Reinforcement of Workplace Health and Safety

Strengthening Management of Workplace Environment

Noise Exposure Management

From 2021 to 2022, five retirees at Hyosung Corporation's Anyang Plant experienced industrial accidents with noise-induced hearing loss. Hyosung Corporation conducts annual workplace environmental measurements and provides earplugs to workers exposed to processes exceeding 85 dB, including three processes exceeding the legal limit of 90 dB under the Occupational Safety and Health Act. The company also operates soundproof rest areas.



Posting of a sign requiring to wear earplugs


Soundproofing material installation in rest areas

Employee Health Management

- Hyosung Corporation conducts annual special medical check-ups for workers exposed to risks such as noise and hazardous chemicals.
- Employees with identified health issues or underlying health conditions receive monthly health consultations with occupational nurses and semiannual consultations with occupational physicians.
- To promote employee welfare and health, Hyosung Corporation provides facilities such as cardio and strength training equipment, as well as table tennis rooms.

Enhancing Emergency Response Capabilities

Hyosung Corporation has developed and implemented response scenarios and manuals for significant industrial accidents and emergency events, including fires, typhoons, earthquakes, environmental catastrophes, and safety incidents. At the Anyang Plant, all employees and subcontractors get regular training in emergency manual implementation, as well as fire suppression and evacuation drills. Manuals for fire response and evacuation are continuously updated and applied in training.


Fire extinguisher training


Fire hydrant training

Forklift Safety Management Enhancement

Hyosung Corporation's Anyang Plant conducts safety inspections and has established and implemented measures to prevent forklift-related accidents (0 forklift accidents in 2024).

Factor	Improvement	Details
Work	Revision of regulations for forklift and electric vehicle operation management	Standardization of entry and work permit procedures for external large forklifts, supplementation of safety work plans, implementation of contractor qualification screening, assignment of guides, changes to hand signal methods, etc.
	Safeguarding walkways and enhancing driving route visibility	Painting pedestrian pathways, lane barrier installation, and additional selection of speed bumps or stop areas
Equipment	Introduction of AI-powered human collision prevention devices	Introduction of detachable AI human collision prevention devices for large forklifts accessing the premises
	Visibility enhancement of forklifts owned by Hyosung	Attachment of fluorescent stickers
	Safety inspection of forklifts owned by Hyosung	Regularization of equipment inspection/safety inspection (monthly) and supplementation of inspection items
Management	In-house traffic safety enhancement	Modification of the internal vehicle speed limit from 30km to 20km as well as implementation of compliance campaigns and forklift safety education

Management of Aging Buildings and Facilities

Hyosung Corporation's Anyang Plant is a building constructed in 1963 that requires continuous observation of risk factors and maintenance. In accordance with the Special Act on the Safety and Maintenance of Facilities, three buildings have been assigned as management targets and underwent regular safety inspections on changes for facility and balance during both the first and second half of 2024. To prevent accidents, the building management department continuously performs ongoing inspections and maintenance activities.

Major Activities for Stakeholder Safety Management

Enactment of the Sub-contractor Safety and Health Management Guideline

Hyosung Corporation enacted the Subcontractor Safety and Health Management Guidelines to enhance the safety and health management of subcontractors. These guidelines include details on the responsibilities and rights of sub-contract business owners, preparation and approval of safety and health management plans, and sub-contractor assessment.

Safety and Health Assessment for Sub-contractors and Construction/Maintenance Companies

Hyosung Corporation mandates the submission of a safety and health management plan and a self-assessment checklist of the safety and health management system upon the selection of new non-resident construction/maintenance contractors. Contracts are executed in accordance with a more rigorous qualified contractor evaluation table that incorporates these safety standards. Furthermore, the results of safety and health evaluations conducted twice a year on resident subcontractors and construction/ maintenance companies within the workplace are incorporated into the renewal of their contracts. The evaluation results determine the recognition of outstanding companies, while lower-performing companies are required to submit improvement plans and undergo regular monitoring to ensure their implementation.

Support for Safety and Health Management System Establishment

Hyosung Corporation has provided risk assessment consulting (e.g., processing and operation analysis, risk information identification, and implementation of mitigation measures) and training for subcontractors in order to assist their safety and health management system establishment. We also supported consulting services for safety and health management system assessment and certification.

Support for Safety Equipment and Improvement of Working Environment

Hyosung Corporation supported the replacement of old or broken tools and low illumination lights, as well as safety items. We also supported the installation of air-conditioning, heating system, and other facilities in breakrooms to ensure worker's right to rest and contribute to their well-being.

Collaborative Partnership with Businesses Across the Value Chain and Communities

Why so important?

Hyosung's mission is to "Enhance and enrich the quality of life for humanity with its leading technology and management capability." To realize this mission, collaborative partnerships with key stakeholders such as the suppliers, customers, and local communities is essential. Customers and investors expect Hyosung to build a sustainable value chain. Meanwhile, the local communities where Hyosung's sites are located are concerned with employment creation, environmental impacts (e.g., pollutant emissions), and other issues, which leads to close interactions from various perspectives. Accordingly, Hyosung systematically identifies potential environmental, social, and economic impacts across the entire value chain and strives for continuous improvement through virtuous collaboration with stakeholders.

Our Approach

Hyosung defines suppliers, customers, and local communities as collaborative partners and identifies and addresses the environmental, social, and economic impacts arising from these relationships. For example, Hyosung builds a responsible procurement system through ESG capability building programs for suppliers and contributes to environmental sustainability in local communities through biodiversity conservation activities. This collaborative partnership approach is planned and executed at the group level through the Collaborative Partnership Deliberation Committee, which includes key affiliates such as Hyosung Corporation, Hyosung TNC, Hyosung Heavy Industries, and Hyosung Chemical. The committee reviews and approves monthly collaborative partnership programs and regularly evaluates the outcomes.

Our Achievement

- Hyosung's 2024 Collaborative Partnership Performances
  Climate change action and adaptation – 37 companies
  New products R&D and marketing – 34 companies
  Safety and human rights improvement – 210 companies
  Quality and productivity improvement – 15 companies
  Sustainability education and consulting – 19 companies
  Biodiversity conservation – 2 projects
  Local community development – 5 projects

Collaborative Partnership Governance

Collaborative Partnership Deliberation Committee Operation

Hyosung operates the monthly Collaborative Partnership Deliberation Committee to review and address matters in need of improvement as a result of risk assessment related to suppliers, customers and local communities of each operation company since June 2023.

Chairperson	CSO (Chief Strategic Planning Officer)		
Vice Chairperson	Head Division of Strategic Planning Executive		
Members (ESG Management)	Hyosung Corporation	Hyosung TNC	
	Hyosung Heavy Industries	Hyosung Chemical	
	Identification of impacts, planning improvement activities, and reviewing effectiveness		
Members (Headquarters)	Strategy Center / Planning Management	Finance Center / Investor Relations (IR)	Administration Center / Human Resources
	Review of financial and business risks and opportunities related to agenda items		
Secretary	Corporate Partnership Team		

Collaborative Partnership Process

Collaborative Partnership Activities Planning	ESG Management Team of Each Operating Company	↔ Relevant Department
▼ Decision-Making by Operating Company	Follows the systems of each operating company, including report to the ESG Management Promotion Committee and the CEO	
▼ Collaborative Partnership Deliberation	Hyosung Group Collaborative Partnership Deliberation Committee	
▼ Collaborative Partnership Activities	ESG Management Team of Each Operating Company	↔ Relevant Department
▼ Monitoring Results	Report to the Board of Directors and the ESG Management Promotion Committee by operating company	

2024 Key Agendas of the Collaborative Partnership Deliberation Committee

Value Chain Related Agendas (Suppliers and SME Clients)

Climate Action and Adaptation
- Energy conservation consulting and facility installation
- Acquiring certification to activate eco-friendly business (GRS, LCA, etc.)
- GHG emissions reduction facility installation

R&D and Marketing of New Products
- Development of products applying sustainable materials (Regen, Polyketone, etc.)
- Marketing to expand consumer touchpoints (campaign trucks, etc.)
- Participation in domestic and international exhibitions to expand sales channels

Safety and Human Rights Enhancement
- Supplier safety enhancement activities (safety manager appointment, safety items, risk assessment consulting, incentives for suppliers with outstanding safety management)
- Human rights improvement through working environment enhancement (rest areas, heating and cooling system, cleaning vehicles, lighting, etc.)

Quality and Productivity Enhancement
- Facility improvement for quality and productivity enhancement of eco-friendly materials
- Testing equipment to improve quality reliability

Sustainability Education and Consulting
- Developing customized ESG indicators for suppliers and providing on-site training
- Selecting assignments by sector for enhancing response capabilities to customer demands and reviewing the improvement status

Local Community Agendas

Biodiversity Conservation
- Creation of marine forests
- Protection of winter migratory birds
- Support for propagation of endangered insect species, etc.

Local Community Development
- Support for local festivals and vulnerable groups
- Purchase of local produce (e.g., rice)
- Provision of eco-friendly products to local communities, etc.

Collaborative Partnership with Businesses Across the Value Chain and Communities

Collaborative Partnership with Suppliers

Objective

Sustainable Supply Chain Policy

Sustainable supply chain establishment

Supplier code of conduct

Ethical Management
- Prohibition of unfair demands
- Prohibition of unfair conduct
- Customer satisfaction
- Responsible material procurement

Human Rights & Labor
- Prohibition of unfair discrimination
- Fair labor and compensation
- Guarantee of freedom of association
- Compliance with legal working hours
- Prohibition of child labor
- Respect for property rights
- Respect for privacy

Safety and Health
- Safe working environment
- Emergency response
- Industrial accident prevention
- Hygiene management
- Provision of safety and health information

Environmental
- Compliance with environmental laws and regulations
- Reduction in energy usage
- Hazardous materials management
- Air pollution prevention Minimizing water usage

Compliance assessment and audit

Selection of improvement tasks

Implementation and confirmation of mutual virtuous circle effect

Suppliers	Hyosung		SME Customers
Improvement of productivity and sustainability	Reduction of supply chain risks and enhancement of raw material competitiveness	Increased awareness and sales of eco-friendly products	Enhanced marketing and product competitiveness

Hyosung has established the Supplier Code of Conduct to build a sustainable supply chain, and each year it secures a compliance commitment from its partners when signing fair trade agreements. Regular evaluations and external expert assessments of suppliers are conducted to review compliance with the Code of Conduct, focusing on key ESG issues such as human rights, the environment, ethics, labor practices, and safety and health.

When negative impacts or risk factors are identified within the supply chain through assessments, Hyosung formulates an improvement plan, which is reviewed and approved by the Collaborative Partnership Deliberation Committee. Follow-up site inspections are conducted to verify the implementation of improvements, and all corrective actions are systematically taken.

Collaborative Partnership with SME Customers

Finding partner and checking the development points

Discussion of support measures

Contribution to sustainability of the humanity through eco-friendly materials

Expansion of sustainable materials and technology

Increasing eco-friendly products awareness	▶ Promoting widespread social adoption and expansion	
Incorporating common sustainable values into various products	▶ Promoting sustainable values through collaborative campaigns	
Alignment with climate action and biodiversity program	▶ Diversification of expansion paths	

Objective

Strategy for Expanding Sustainable Materials

Hyosung also supports the sustainable growth of small- and medium-sized customers by utilizing eco-friendly materials and technologies. This support includes assisting in the development and launch of eco-friendly products and providing opportunities for these products to be exhibited and sold at domestic and international trade shows.
Such initiatives help lower market entry barriers for small businesses in the eco-friendly sector, contributing to their economic independence and enhancing their brand value.

Hyosung is also preparing relevant plans to support SME customers to carry out voluntary and appropriate activities in areas such as climate change response and biodiversity conservation. These efforts are coordinated with ESG-related departments in alignment with the group's overall sustainability management strategy.

Details on Hyosung's supply chain sustainability and fair trade management are disclosed on p. 40 of this report.

Collaborative Partnership with Businesses Across the Value Chain and Communities

2024 Collaborative Partnership Activities across the Value Chain

Signing and Supporting Fair Trade Agreements with Prominent Suppliers

Hyosung signs fair trade agreements each year with outstanding suppliers selected through a supplier evaluation process and secures their commitment to comply with the Supplier Code of Conduct. The agreements include provisions for fair trade law compliance and support for mutual growth, such as cash payment terms. Notably, Hyosung pays suppliers in cash within 10 days of invoice issuance, contributing to improved supplier cash flow. As a result, in 2024, Hyosung suppliers benefited from an estimated KRW 6.6 billion reduction in interest burdens compared to the legally mandated payment deadline, calculated using Hyosung's 2024 internal average interest rate.

Number of Prominent Suppliers and Cash Payment for 2024

Category	Hyosung Corporation	Hyosung TNC	Hyosung Heavy Industries	Hyosung Chemical	Total
Number of Suppliers that Signed the Fair Trade Agreement	98	49	602	6	755
Cash Payment (KRW million)	26,267	23,352	1,004,038	190	1,053,847
Estimated Interest Reduction (KRW million)	184	146	6,296	0.9	6,627

Support for Sustainability Education and Consulting

Hyosung provides consulting, guidebooks, and job-specific training to help suppliers enhance their sustainability practice and respond effectively to external demands. Hyosung also conducts supplier assessments to identify vulnerabilities and provides guidance on how to improve them. In 2024, Hyosung established a Sustainable Supply Chain Policy and systematically enhanced its processes from risk identification to resolution. These support activities are also included as part of its supply chain risk mitigation strategy.

Number of Suppliers Provided with ESG Education and Consulting in 2024

Category	Hyosung Corporation	Hyosung TNC	Hyosung Heavy Industries	Hyosung Chemical
ESG Education	3	10	8	1
ESG Consulting	1	-	8	-

▶ Hyosung jointly supported 3 suppliers that work with affiliates (Hyosung TNC, Hyosung Heavy Industries, Hyosung Chemical).

Workplace Improvement Support for In-house Sub-Contractors

· In 2024, Hyosung Corporation provided safety equipment such as forklift collision prevention systems to six in-house contractor companies, and aerial work platforms to one company. These efforts align with Hyosung's safety and health management strategy to improve contractor safety standards.



Forklift collision prevention system

· In addition, Hyosung Corporation provided risk assessment consulting and training in 2024 to 12 supplier companies, supporting them in analyzing safety hazards and establishing improvement measures.

Workplace Improvement Support for In-house Sub-Contractors

In 2024, Hyosung Corporation supported nine in-house sub-contractors by improving lighting in offices and factories and installing cooling and heating equipment to provide their workers with a pleasant working environment.

Support for Testing Equipment to Improve R&D Quality

· Hyosung Corporation supports R&D partners such as the Power & Industrial Systems R&D Center and the Hyosung R&DB Labs in improving the accuracy of product quality testing.

· In 2024, 2 companies were provided with constant temperature and humidity chambers and Universal Testing Machines (UTMs).

Other Support Activities for Suppliers

Energy Conservation Consulting and Facility Installation

- High-efficiency lighting support for 2 suppliers

Upgrade Support for Business PC and Other Devices

- Provided PC upgrades and new monitors, keyboards, and mouses to 16 suppliers

Supporting the Development and Expansion of Products Using Sustainable Materials

Safety Vest Distribution Using Recycled Yarn "regen™"

· Hyosung used "regen™," a recycled yarn for apparel, to produce 4,000 high-visibility safety vests, which were distributed to about 200 supplier companies.

Support for Polyketone Tableware Development and Adoption

· Hyosung assisted a tableware manufacturing SME in developing plates using Hyosung Chemical's polyketone material, "POKETONE™."

· After development, the products were first introduced at Hyosung's in-house cafeteria, thereby supporting the SME's marketing activities.



Provide "regen™" safety vest to suppliers



Introduction of "POKETONE™" tableware in employee cafeteria

Marketing Support for Eco-friendly Products & Employee Awareness Campaign

· Hyosung supported an SME customer using the "regen™" recycled yarn by providing a campaign truck to promote its eco-friendly production process and its importance.

· It also installed PET bottle collection bins on-site to help the SME customer easily collect resources, and used the truck to run internal awareness campaigns on sustainability among employees.



Employee campaign using support truck



PET bottle collection bins

Collaborative Partnership with Businesses Across the Value Chain and Communities

Collaborative Partnership with Local Communities

Strategies for Collaborative Partnership with Local Communities

Hyosung has established and implemented a community partnership strategy to promote sustainable cooperation with the local communities where its business sites are located. The company strives to mitigate potential negative environmental and social impacts on these communities and actively engages in initiatives that support regional growth and development. Additionally, Hyosung is committed to addressing issues in areas that require biodiversity conservation.

Identification of affected regions → Business site locations

Identification of negative and positive impacts → Ecological impact / Economical and social impact

Collaborative Partnership Activities Planning → Consideration of measures to mitigate negative impact and proliferate positive impact

Implementation and effectiveness assessment

Local communities	Hyosung
Biodiversity conservation and activation of local economy	Negative environmental impact mitigation and local presence expansion

Mid- to Long-term Goals for Collaborative Partnership with Local Communities

Category	Mid-Term (~2027)	Long-Term (~2030)
Goal	Expansion of positive ecological impact for local communities	
Ocean	Completion of Wando marine forest creation and establishment of a local management system	Creation of marine forests in new areas
Sky	Maintenance of winter migratory bird populations in the Gimhae Hwapocheon Wetland	Expansion of support areas for winter migratory birds
Land	Endangered insect breeding	Expansion of naturally released populations
Goal	Expansion of eco-friendly product base and promotion of local culture	
Eco-Friendly Products	Support for 4 regions where business sites are located	Strengthened linkages with local education and programs
Culture & Sports	Construction of Gunbuk Elementary School gymnasium and support for cultural activities for locals	Expansion of support regions for cultural and sports events

2024 Collaborative Partnership Activities with Local Communities

Signing MoUs to Achieve Mid-to-Long-Term Biodiversity Conservation Goals

To enhance biodiversity outcomes and lay the groundwork for achieving long-term goals, Hyosung signed MoUs with local governments and expert organizations and companies specializing in target species conservation within project regions.

Category	Partner Organizations	Agreement Period
Creation of marine forests	Ministry of Oceans and Fisheries, Korea Fisheries Resources Agency, Wando County	2023~2027
Protection of winter migratory birds	Gimhae City	2024~2027
Endangered insect propagation	National Institute of Ecology, Forest Friends Co., Ltd.	2025~2027

Marine Forest Creation, Including Blue Carbon Seagrass Restoration

- Hyosung transplanted 10,000 seagrass seedlings across 0.44 hectares near Dadaedapo Port in Geoje City from 2022 to 2023. Starting in 2024, Hyosung is planting 40,000 seagrass seedlings and creating a marine forest with seaweed across 159 hectares of ocean near Donggo-ri, Sinji-myeon, Wando-gun.
  - 2024: Transplantation of 40,000 seagrass seedlings and seaweed completed across 159 hectares
  - 2025–2027 (3 years): Monitoring and reinforcement to ensure settlement of transplanted organisms
  - From 2028: Management of the fully created marine forest will be transferred to the local government
- According to an ecological analysis by the Korea Fisheries Resources Agency (Hyosung's partner organization), the seagrass forest increased benthic organisms by 2.5 times, number of species by 1.5 times, and species diversity index by 1.2 times. This confirms its effectiveness in improving marine ecosystem health.



Inauguration ceremony of Hyosung Marine Forest Project



Bird's-eye view of Hyosung marine forest

Supporting Food Supply and Release of Winter Migratory Birds

Since the end of 2023, Hyosung has been working with Gimhae City to supply food for endangered migratory birds such as vultures and whooper swans that visit the Hwapocheon Wetland. It also supports the release of rehabilitated vultures.

Bird Species	Population		
	2022~2023	2023~2024	2024~2025
Vulture	300	406	600
Whooper Swan	170	103	82
Greater White-Fronted Goose	5,000	5,035	5,700
Black-Faced Spoonbill	15	27	19
Red-Crowned Crane	-	1	-
White-Naped Crane	-	286	74
Other Species	2,676	3,018	2,426
Total	8,161	8,876	8,901







Support for Local Citizen Participation Festivals

Hyosung has supported regional festivals such as Daegu Dalseong Wetland Life-Love Festival, Haman Citizens' Day, Become Friends with Vultures Ecological Festival (Gimhae), and Anyang Azalea Festival. These efforts promote civic participation and contribute to revitalizing local tourism.

Support for Eco-Friendly Local Products

Hyosung provided eco-friendly bags made from sustainable yarn, polyketone lunch trays made from eco-friendly materials, and solar power generation facilities in Gunbuk-myeon, Haman.

Local Job Creation and Consumption Promotion

Hyosung purchases rice produced by local farmers to stimulate consumption and supports seedling cultivation for the restoration of damaged DMZ areas through local farms.

Support for Local Cultural and Sports Infrastructure

Hyosung is supporting the construction of a gymnasium at Gunbuk Elementary School in Haman from 2023 to 2026 to expand local sports and cultural facilities and promote the health of students and residents.

Sustainable Products and Technology Development

Why so important?

As stakeholders' interest in climate change and sustainable management grows, the demand and necessity for environmentally sustainable products and services—those with no negative environmental impact—are also increasing. Hyosung clearly recognizes the responsibility and importance of providing customers with environmentally sustainable products and services. We also make continuous efforts to develop technologies and products that meet those needs.

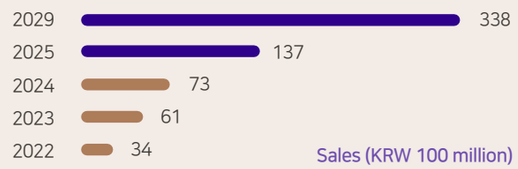
Our Approach

To reduce the negative environmental impact of its products, Hyosung is focusing on producing and developing products using recycled and bio-based raw materials, improving energy efficiency, and expanding R&D and business operations that contribute to the development of renewable energy infrastructure. Through these efforts, Hyosung aims not only to meet customer expectations but also to secure new growth drivers for future business opportunities. In addition, Hyosung plans to continuously disclose information about its product technology development progress and strategic direction, based on The Korean Green Taxonomy, which defines sustainable products.

Our Achievement

- Establishment of Hyosung's sustainable product classification system
- Invested KRW 17.3 billion in R&D for environmental sustainability by Hyosung Corporation

Hyosung's Recycled and Bio-Material Product Sales Performance and Plans



Sustainable Products and Services

Sustainable Product and Services Classification System

Hyosung has established its own classification system for sustainable products and services based on The Korean Green Taxonomy and environmental certifications. This ensures the prevention of greenwashing across the Hyosung Group and enables transparent communication with stakeholders. Hyosung also continuously monitors changes in the Green Taxonomy and updates its system accordingly to enhance alignment and classification accuracy for sustainable products.

Category	Definition	Products and Services
GHG Emissions Reduction	• Utilization of raw materials with low global warming potential	● Gas Insulated Switchgear (GIS) that use SF_6 alternative gas - DAIS (Dry Air Insulated Switchgear) - GIS using alternative gas
	• Products with a lower carbon footprint than current products	● New material engineering plastic POKETONE
	• Increasing energy efficiency - High-efficiency energy products (certification acquired)	● Premium electric motors ● Electronically Commutated (EC) fan
	• Production based on renewable (bio-based) materials	● Regen bio-based spandex ● Bio-polyester yarn / automative floor carpet ● Bio-based TAC (Tri-acetyl Cellulose) film
	• New and renewable energy (hydrogen, wind, solar) technologies	● Hydrogen charging stations, hydrogen engine generators ● Wind power generation systems ● Solar inverters and EPC services
	• Contribution to renewable energy transmission and distribution infrastructure and grid stabilization	● Direct Current Transmission and Distribution System (HVDC), STATCOM, Energy Storage System (ESS), Variable Reactor for Renewable Power Generation
Climate Change Adaptation	• Obtaining the Green Standard For Energy and Environmental Design (G-SEED)	● Construction of green buildings
Sustainable Water Conservation	• Wastewater treatment • Products and services providing clean drinking water • Acquisition of environmental certification (Environmental New Excellent Technology, Green Technology)	● Submerged membrane technology for water treatment ● Pressurized membrane technology for water treatment
Circular Economy	• Application of recycled raw materials • Acquirement of certification for using recycled materials (GRS, RCS, ISCC PLUS, SGS ECO-Product)	● Regen Nylon: Recycled nylon from manufacturing waste ● Regen Ocean Nylon: Recycled nylon from waste fishing nets ● Regen Polyester: Recycled polyester from discarded PET bottles ● Regen Ocean Polyester*: Recycled polyester from discarded PET bottles ● Regen Spandex: Recycled spandex from manufacturing waste ● Recycled yarn / automative carpet ● PCR-PP (Post Consumer Recycled Poly Propylene)
	• Products designed to improve recyclability by simplifying materials	● Recyclable automative carpet
Pollution Prevention and Management	• Reducing the use or emission of pollutants • Acquisition of environmental certification (Environmental New Excellent Technology, Green Technology)	●● Polyester with antimony (Sb)-free catalyst ●● Dope-dyed yarn without the need for dyeing process ● Transformer that are insulated with biodegradable ester oils

* Regen Ocean Polyester: Made from PET bottles discarded within 50km of rivers or oceans, likely to end up in marine environments. * Hyosung Corporation (●), Hyosung TNC (●), Hyosung Heavy Industries ●), Hyosung Chemical (●)

Sustainable Products and Technology Development

Research & Development Governance

Decision-Making Body	Board of Directors (ESG Management Committee)	• Management and supervision of sustainable products and technology development
	R&D Committee	• Involves the CEO and key executives • Held twice a year • Establishes R&D strategies by incorporating feedback from relevant teams such as sales, marketing and R&D • Discusses each operating companies' demands on environmentally friendly technology, customer requests upon main items, and R&D status
Operational Organizations	Technology Exchange Meetings	• Regular meetings for departments to share information in order to enhance the R&D efficiency • Technology exchange for securing core foundational technologies and internalizing research capabilities
	Hyosung R&DB Labs	• Conducting research either through participation in national research projects by reflecting the R&D topics confirmed in the R&D Committee or autonomous R&D planning and implementation

R&D Operational Organization

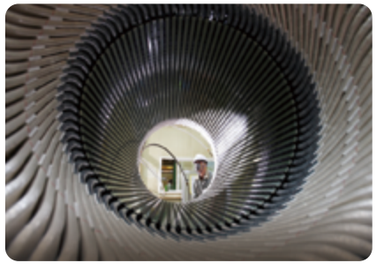
Organization	Partner Organizations	Agreement Period
Hyosung R&DB Labs *	Hyosung Corporation	• R&D on spandex, nylon/polyester yarns, industrial films, optical films, PP/DH, polyketone (engineering plastic), recycling, etc.
Hyosung R&DB Labs (Commercial) **	Hyosung Corporation	• Tire reinforcements, carbon materials, composites, aramid, tech yarn, battery materials, bio-based materials, etc.
Hyosung Power & Industrial Systems R&D Center	Hyosung Corporation	• Eco-friendly transformer/breaker technology, ESS, STATCOM, VSC HVDC, MVDC, LVDC, eco-friendly ship converters/drives
Europe R&D Center	Hyosung Heavy Industries	• Research on SF_6-free gas-insulated switchgear
Technology R&D Center	Hyosung GoodSprings	• Development of high-efficiency industrial pumps
Development Division	Hyosung TNS	• Low-power financial automation devices (ATM)

* Hyosung Corporation's Production Tech Center was integrated into Hyosung R&DB Labs as of April 1, 2025.
** Hyosung R&DB Labs (Commercial) was transferred to HS Hyosung Co., Ltd. as of May 1, 2025.

Sustainable Products Development and Performance

Textile / Chemical Sector	
Product development using bio-based raw materials	- Development of bio-mass & bio-degradable soft spandex - Promotion of 100% bio-based nylon yarn development
Development of recycling technologies	- Development of separation and monomer purification technologies for waste fabric and clothing materials - Development of nylon chemical recycling technology
Development of process technology and products for reducing hazardous chemical substances	- Development of eco-friendly solvent application technology for spandex - Development of technology to reduce residual DMAc in yarns used for spandex diapers

Heavy Industries Sector	
Development direction for securing competitiveness in eco-friendly products	- Improvement of insulation performance in eco-friendly circuit breakers through metal surface treatment and multilayer coating techniques - Development of alternative materials to PTFE (which causes environmental pollution) for eco-friendly circuit breakers
Development of new products and technologies for building eco-friendly power grids	- Development of DC transmission and distribution systems with higher transmission efficiency and lower electromagnetic interference compared to traditional AC systems ① Development of 200 MW-class MMC-based VSC HVDC and 2 GW ±525 kV bi-pole HVDC systems ② Development of compact MVDC controllers - Developed grid analysis technologies for expanding into the offshore wind power equipment market
Development of eco-friendly mobility propulsion systems	- Development of 3 MW-class converters / drives for eco-friendly ships
Development of new high-efficiency pumps and conversion of existing products to certified high-efficiency models	- Development of high-efficiency double-suction pumps (HDR350-725C) for pump replacement projects - Conversion of existing products into high-efficiency and certified models(e.g., 58 models of vertical multistage pumps, 2 models of double-suction volute pumps)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Sustainability Management

Business Site Environmental Management

Hyosung has established an environmental management system to minimize potential negative environmental impacts from plant operations. Also, the company established and operates internal management standards that are stricter than the legal emission limits. In addition, Hyosung has developed and is actively executing investment plans for environmental improvements to reduce pollutant and hazardous substance emissions, promoting the creation of eco-friendly workplaces. To further protect biodiversity and prevent negative impacts on ecosystems from its business activities, Hyosung also implements a range of environmental conservation initiatives.



Environmental Management System

Environmental Management Policy

Hyosung Corporation has established and operates an environmental management system in accordance with ISO 14001, and independently manages its environmental practices based on its own environmental management policy.

Environmental Operation Management Process

- 1. Organizational Situation Management
- 2. Risk Management
- 3. Environmental Impact Assessment
- 4. Legal & Policy Management
- 5. Environmental Permits
- 6. Green Management Activities
- 7. Compliance Evaluation Management
- 8. Change Management

Environmental & Safety Emergency Response Process

- 1. Scenario-Based Emergency Planning
- 2. Emergency Response Training
- 3. Emergency Response System Improvements

Principle of Compliance with Environmental Regulations

Hyosung Corporation is committed to minimizing negative environmental impacts such as pollutant emissions and managing environmental risks effectively. To do this, it has established its own principles for compliance with environmental laws and strictly enforces them.

1. Based on its environmental policy, manuals, and processes, Hyosung promptly incorporates changes in environmental laws and thoroughly reviews relevant regulations to manage environmental risks. Compliance is assessed annually.
2. The company also sets internal environmental standards that are stricter than legal requirements to further minimize environmental impacts.
3. Compliance results are disclosed transparently to stakeholders through channels such as the Sustainability Report, the Environmental Information Disclosure System, and the Carbon Disclosure Project (CDP).

Hyosung Corporation establishes KPIs and targets for key environmental management areas—including environmental qualification management, environmental impact assessments, compliance evaluations, regulatory management, pollutant emission concentrations, waste generation, and stakeholder grievance response—and formulates annual plans based on these metrics to monitor implementation performance.

Worksite Environmental Management

Air Pollutant Management Status

Compliance with Legal Emission Limits and Establishment of Internal Standards

Hyosung Corporation's Anyang Plant has established its own internal emission standards for managing air pollutant emissions. These standards are set at 20% of the legal emission limits, and the company continues to replace and maintain facilities to ensure compliance with these stricter internal benchmarks.

[Key Achievements in 2024]

· Completed 2 maintenance projects on air pollution prevention facilities (including cleaning and belt replacement) / Conducted activated carbon replacement work

Air Pollutant Emission Monitoring

At Hyosung Corporation's Anyang Plant, boilers—which account for over 75% of the site's air pollutant emissions—are equipped with Tele-Monitoring System (TMS) to continuously monitor emissions in real time. Facilities without TMS are monitored regularly by outsourced external measurement agencies to ensure ongoing tracking of air pollutant emission concentrations.

Minimizing Air Pollutant Emissions

At Hyosung's Anyang Plant, low-NOx burners have been installed and are operated to reduce nitrogen oxide (NOx) emissions from boiler facilities. Additionally, even at facilities exempt from mandatory control equipment requirement due to their low emission levels, Anyang Plant has voluntarily installed and is operating air pollution prevention equipment. In research facilities where emission limits for total hydrocarbons (THC) are not legally specified, the company has proactively installed adsorption systems and thermal oxidizers (TO) to minimize THC emissions.

Waste Management Status

Waste Management and Treatment Status

Hyosung Corporation minimizes waste generation by following an internal waste management process. Waste synthetic fibers and synthetic resins generated during production are sorted and processed for recycling. The company either sells them to recycling companies or increases the proportion of outsourced recycling to continually reduce total waste output.

Through Korea's official waste management platform, Allbaro, Hyosung classifies and outsources waste treatment by type, consistently exceeding the targets of resource circulation and regulatory compliance every year.

Category	2024 Target (%)	2024 Performance (%)
Final Disposal Rate	65.73	27.44
Recycling Rate	26.62	65.93

* Final Disposal Rate: Percentage of total waste generated that is ultimately disposed of
Recycling Rate: Percentage of total waste generated that is recycled

Business Site Environmental Management

Worksite Environmental Management

Water Resource Management and Wastewater Treatment Status

Compliance with Legal Emission Limits and Establishment of Internal Standards

Hyosung's Anyang Plant has established its own wastewater discharge standards set at 30% of the national legal discharge limits, thereby managing water pollutants more stringently than legally required.

Target Substance	Legal Limit (mg/L)	Hyosung Standard (mg/L)
BOD	120	36
TOC	75	22.5
SS	120	36
T-N	60	18
T-P	8	2.4

Water Pollutant Emissions Monitoring

Hyosung's Anyang Plant has contracted two external professional measurement organizations to regularly monitor general water pollutant emissions, conducting measurements four times a month. In addition, all facilities undergo quarterly analysis of all specific hazardous water pollutants to monitor whether any new pollutants beyond permitted categories are being emitted.

Non-Point Source Pollutant Management

To minimize the inflow of non-point source pollutants that may arise from rainfall, Hyosung's Anyang Plant has installed reduction facilities and monitors pollutant levels before and after rains. In addition, quarterly visual inspections, annual inflow/outflow water analyses, and regular internal inspections are conducted to manage facility operations systematically. The plant also replaces filter media and removes sediment to continuously improve pollutant reduction efficiency.

Minimizing Water Usage

Hyosung's Anyang Plant is making efforts to reduce water consumption and contribute to alleviating water stress by practicing water recycling.

The plant conducts internal inspections by process, carries out leak repairs to estimate monthly water savings, and establishes and manages a water reduction plan accordingly.

Chemical Substance Management Status

Establishment of Electronic Chemical Management System

Hyosung has implemented an internal ERP system to verify whether all purchased materials fall under the category of chemical substances before proceeding with procurement. For materials classified as chemical substances, suppliers are required to provide chemical registration documents, such as MSDS, via the internal e-procurement system. Only materials that have been approved after confirming their regulatory status through the Electronic Chemical Management System (ECMS) can be purchased.

Chemical substance managers at both worksites and headquarters use this system to monitor all chemicals for compliance with the Chemical Substances Control Act and the Act on the Registration and Evaluation of Chemical Substances. This enables systematic data management and ensures transparent reporting to the Ministry of Environment, including chemical usage reports, emission inventories, and statistical surveys.

MSDS and Chemical Substance Education

Based on the MSDS provided by suppliers, Hyosung Corporation categorizes all employees as managers, handlers, or workers, and delivers tailored chemical substance training to each group to prevent chemical accidents. A response manual for chemical accidents is also published and used as part of the training programs.

Hazardous Chemical Substance Management

No hazardous chemicals are handled at Hyosung Corporation's production sites. However, for the hazardous substances used at the Hyosung R&DB Labs and Power & Industrial Systems R&D Center, internal inspections are conducted at least once a week, with inspection logs maintained for management.

Development of Hazardous Substance Reduction Technologies

Hyosung R&DB Labs has developed an antimony-free catalyst to replace traditional antimony-based ones used in the polyester manufacturing process, aiming to reduce harmful chemical substances. A phased application plan has been established to apply this new catalyst to polyester fiber production processes and will be expanded gradually.

Local Environmental Campaigns and Biodiversity Conservation

Community Environmental Protection Activities

Plogging and Azalea Festival with Employees and Citizens

Employees of Hyosung Corporation and operating companies participate annually in a plogging event—picking up litter while jogging—at Banpo Hangang Park near Sevit Island, hosted by the Seoul Volunteer Center. This activity is carried out in collaboration with citizens as an environmental cleanup initiative.

Hyosung Corporation also opens a 10,000-square-meter azalea field located behind its Anyang Plant every year to employees' families and the public. Around 10,000 visitors participate annually, raising awareness about the importance of preserving natural environments and contributing to cleanup efforts around the azalea area. To prevent wildfires during the festival, only electric appliances are used instead of gas burners and stoves.





Domestic Biodiversity Conservation

Hyosung Corporation and operating companies have business sites across the country. At the group level, we are carrying out activities to preserve biodiversity in Korea.

- Creation of a seagrass (blue carbon) marine forest in Wando
- Protection of winter migratory birds at Hwapocheon Wetland in Gimhae
- Artificial breeding of endangered insects

See p. 27 of the Community Coexistence section for details

Plus Note

Raw Material Management Status

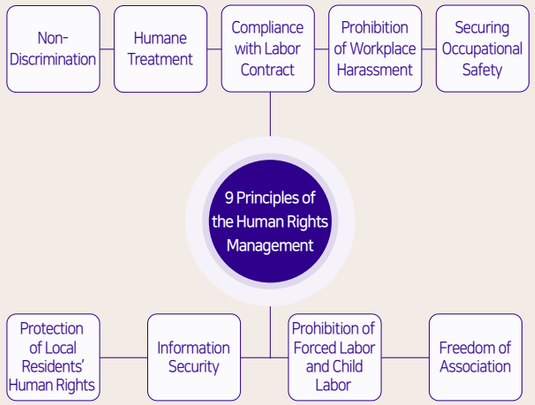
Minimizing Raw Material Purchases

The Anyang Plant optimizes the inventory and usage of raw materials required for business activities, aiming to minimize the purchase of new raw materials.

Human Rights Management

As social interest in human rights issues related to corporate management activities grows, the responsibility to respect human rights has become a fundamental requirement of our time, not a matter of choice.
Hyosung has established its human rights policy based on the 10 Principles of the United Nations Global Compact (UNGC) and has defined the "9 Principles of Hyosung Human Rights Management" to provide clear standards that require all employees to make ethical and responsible decisions.
Through these efforts, Hyosung aims to foster a transparent and sound corporate culture and grow into a sustainable company that faithfully fulfills its corporate social responsibilities.

The 9 Principles of Hyosung Human Rights Management



Establishing Human Rights Management Standards

Human Rights Policy and Principles

Link to Human Rights Policy

- Through the value system known as the Hyosung Way, which aims to lead humanity toward a better life based on top-tier technology and management capabilities, Hyosung pursues collaborative partnership with all stakeholders.
- Hyosung has established a human rights management policy to ensure the rights of stakeholders. This policy reflects international standards and human rights norms, including the 10 Principles of the UN Global Compact, labor standards presented by the International Labor Organization (ILO), and the OECD Guidelines for Multinational Enterprises.
- In addition to its headquarters in Korea, Hyosung strives to protect and promote the human rights of local workers in all countries where it operates, complying with labor condition standards and the labor laws of each country.

Hyosung Declaration of Human Rights Management

Hyosung Corporation, as a global company founded on "respect for human dignity," which is one of the group's founding principles, actively supports and respects international human rights and labor standards, as outlined in Principle 1 of the United Nations Global Compact (UNGC), as well as the core conventions set forth by the United Nations Universal Declaration of Human Rights, the International Labor Organization, the OECD Guidelines for Multinational Enterprises, and other global human rights and labor standards.
Accordingly, we proclaim and pledge to practice the following the Declaration of Human Rights:

1. We respect the human rights of all stakeholders, such as employees, customers, suppliers, and local communities, and endeavor to spread a culture of human rights respect throughout our society.
2. We prohibit all kinds of discrimination based on gender, race, nationality, ethnicity, religion, birth or other status, political belief, gender identity, or social origin, etc. and respect diversity.
3. We reject any form of forced labor imposed against free will through physical and/or mental restraints, prohibit any form of child labor, and comply with the minimum employment ages stipulated by the laws in each country.
4. We comply with environmental, health, and safety laws and regulations to create safe and healthy working conditions and prevent workplace accidents, and we take separate safety and health measures for vulnerable employees.
5. We comply with working hours and minimum wage regulations stipulated by labor-related laws in each country or region.
6. We promote collaborative partnership that fosters mutual growth and development with our partner companies, and we encourage and support partner companies in practicing human rights management.
7. We work to prevent human rights violations and, when they occur, take prompt and appropriate remedial measures.

Human Rights Management

Hyosung's 2030 Mid-to-Long-Term Goals and Implementation Strategy for Human Rights Management

· Hyosung has established a phased implementation strategy—systemization, internalization, and advancement—to be achieved by 2030 in order to meet its goal of "management that protects and respects the human rights of all stakeholders."

Mission	**Managing with respect for and protection of the human rights of all stakeholders**		
Mid-to-Long-Term Goals	**Systemization(~2025)** **Establishment of Human Rights Management System**	**Internalization(~2027)** **Implementation and Settlement of Human Rights Management**	**Advancement(~2030)** **Leading and Spreading Human Rights Management**
Implementation Strategies	· Establishment of R&R of human rights management department · Establishment of in-house regulations and update of guidelines for human rights management · Establishment of goals to secure diversity of employees · Strengthening the monitoring system and relief procedures for the prevention of human rights violations · Strengthening information security and privacy protection · Establishment and implementation of a regular human rights impact assessment system	· Education for the spread of culture that respects human rights · Disclosure of Human Rights Management Process and Performance · Implementation of improvements based on the results of the human rights impact assessment · Conducting and improving human rights impact assessment of subsidiaries (HGS, TNS, etc.) · Compliance with ESG international guidelines and implementation checks	· Efforts to spread and settle human rights management of partner companies in the supply chain · Conducting human rights impact assessment at overseas corporations and branches · Establish trust in human rights management with outside stakeholders such as customers, communities, NGOs, and the government · Establishment of a position and enhancement of competitiveness as a leading company in human rights management



Human Rights Management

Human Rights Impact Assessment

- Hyosung conducts an internal human rights impact assessment once a year across the entire company, using a checklist developed in line with human rights management guidelines from the National Human Rights Commission of Korea, the United Nations, and the OECD.
- Through these assessments, Hyosung identifies potential risks to stakeholders in advance and establishes and implements measures to prevent and mitigate negative human rights impacts.

Stakeholder	Potential Risks	Response Measures
Employee	Work Environment	• Implementation of flexible working hours - Establishment of systems to comply with legal working hours • Provision of education for employee career development • Collection of worker opinions and improvement activities through labor-management councils
	Discrimination and Harassment	• Employment preference policies for people with disabilities and socially vulnerable groups • Prohibition of any type of discrimination based on gender, race, nationality, disability, gender identity, etc. - Female employment targets: 128 in 2025, 131 in 2026 (female employee ratio increased by 0.5% annually) - Employees with disability targets: 14 in 2025, 16 in 2026 (at least 3.1%) • Operation of an internal whistleblowing center - Establishment of human rights violation and grievance application process
	Employee Safety and Health	• Implementation of health checkup programs - Employee health examinations and injury insurance enrollment • Regular workplace safety inspections
	Forced Labor	• Explicit prohibition of child labor and forced labor • Compliance with age regulations at hiring
Labor Union	Guarantee of the right to bargain	• Freedom to establish labor unions • Prohibition of unfair treatment for union activities
Customer	Customer Human Rights Violations	• Strengthening of customer information security system - Establishment of personal information protection policies and designation of responsible officers and related departments
Partner Firms	Partner Safety and Health	• Strengthening of partner safety management - Operation of partner-led voluntary safety inspection systems - Safety and health mentoring for new partners - Support for safety and health management systems - Provision of safety equipment such as forklift collision prevention devices • Improvement of supplier working conditions - Lighting improvements in offices and factories, portable heating/cooling support
Local communities	Environmental Rights around Workplaces	• Establishment of environmentally friendly workplaces - Investment in environmental facilities to prevent workplace pollution

- In 2024, in particular, on-site inspections were conducted to gather feedback from workers at partner companies in order to minimize potential human rights risks. These inspections supported improvements in occupational safety, health, and working environments.
- In 2025, the company established and published a Human Rights Management Declaration that reflects strengthened global guidelines.

Conducting Human Rights Impact Assessments

- In 2024, Hyosung carried out expert reviews and improvement consulting to enhance its existing human rights impact assessment process.
- Based on the results of this diagnosis, the company plans to further advance and refine its human rights impact assessments and overall human rights management system.

Step 1 Checklist Improvement

Guidelines for Human Rights Management (National Human Rights Commission of Korea)
UN Guiding Principles on Business and Human Rights (2011)
OECD Due Diligence Guidance for Responsible Business Conduct (2023 Revised Edition)
→ Clarification of responses and information gathering

Step 2 Checklist Preparation Training

Training for responsible personnel on each assessment item
→ Ensuring respondents' understanding

Step 3 Checklist Response Completion

Working-level officials complete 196 diagnostic items across 11 areas

Step 4 Working-Level Official Interviews

Identify detailed content and future improvement plans for checklist responses marked as "Needs Improvement," "No," "No Information," or "Not Applicable."

Step 5 Results Analysis and Improvement Consulting

Derive improvements based on inspection results for each of the 11 areas

- Advancement of the human rights management system
- Regular updates and disclosures of policies
- Improvements in the evaluation scope and methodology
- Improvements in human rights management performance monitoring
- Enhancements in grievance handling and relief systems

Operation of the Whistleblowing Center

- Reporting systems are in place—both internal and external—to address issues related to undeserved demands, unfair business practices, verbal abuse, and physical violence.
- A Human Rights Violation Remedy Manual has been established to protect and provide relief to victims in accordance with regulations if an instance of human rights violation occurs.
- Cases reported through external whistleblower's channels are directly received by the audit team, which conducts investigations following internal procedures, maintaining strict confidentiality to ensure that the details of the report and the identity of the whistleblower are not disclosed. The progress of the investigation is shared with the whistleblower.
- An HR counseling center is separately operated for internal employees, where conflicts with supervisors or colleagues, job suitability issues, and workplace harassment reported to the center are handled through individual counseling, with appropriate actions taken to resolve the problems.

Human rights-related whistleblowing results are not disclosed in accordance with privacy protection and company policy.

Employee Human Rights Training

- Various online and offline human rights trainings are conducted for all employees, including the prevention of sexual harassment, the prevention of workplace bullying, and awareness improvement regarding people with disabilities.

Targets	Training Name	Details
All Employees	Sexual Harassment Prevention Training	Eradication of sexual harassment and assault, related regulations, etc.
	Workplace Bullying Prevention Training	Definitions of bullying and discrimination, related regulations, prevention measures, etc.
	Disability Awareness Training	Definition and types of disabilities, related laws and systems, etc.
	Human Rights Basics (Dignity Edition)	Meaning of human dignity, human rights history, dignity of dependence (based on National Human Rights Commission of Korea YouTube contents)



Course Online

2024 Company-Wide ESG Training – Human Rights Management

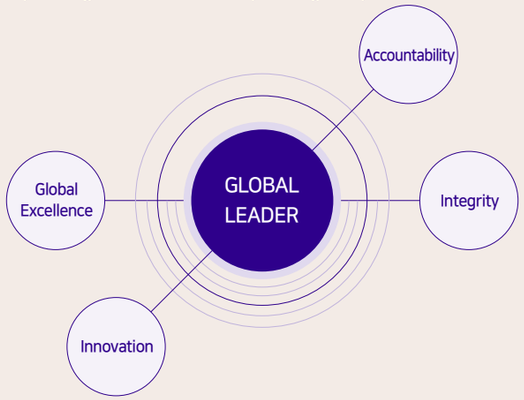
June ESG Human Rights Management

Company-wide online training on human rights management

Talent Management

Hyosung places top priority on hiring and nurturing talent as a key driver of sustainable growth in order to fulfill its mission: "To enhance and to enrich the quality of life for humanity with its leading technology and management capability." Employees are actively supported in internalizing the core values of the Hyosung Way—excellence, innovation, responsibility, and trust—and in becoming global leaders through a structured development support system. Hyosung also strives to create an environment where individuals and the company grow together by enhancing employee engagement and job satisfaction. Through regular communication channels, Hyosung listens to employees' voices, supports work-life balance, and fosters a desirable organizational culture based on mutual respect and trust.

Hyosung Core Values – Hyosung Way



Global Excellence
Talents with global competitiveness and superior capabilities

Accountability
Talents who work with a sense of ownership

Innovation
Talents who embrace new challenges

Integrity
Talents who build trust in their work with colleagues

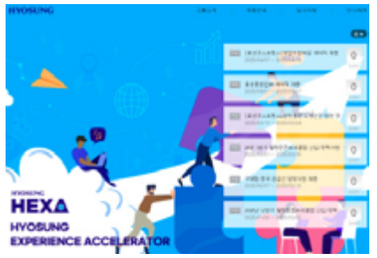
Talent Recruiting and Integration Support

Direction

- Realizing the mission: "To enhance and to enrich the quality of life for humanity with its leading technology and management capability."
- Securing talent with global excellence, innovation, responsibility, and trust
- Aiming for all employees to become "Global Leaders"



Open Recruitment



- Hyosung provides various employment opportunities through regular and occasional recruitment, aiming to discover global leaders who can fulfill Hyosung's mission.
- Job conditions and recruitment procedures are transparently disclosed through the company's dedicated online recruitment site.
- Unfair discrimination based on academic background, age, race, gender, and religion is strictly prohibited, and all applicants are given equal opportunities during the recruitment process.
- Hyosung implements a preferential hiring policy for national veterans, persons with disabilities, and other socially vulnerable groups.
- Interviewers receive pre-recruitment training to ensure fair and open recruitment.

Onboarding Programs

- An internal onboarding program is conducted to help new hires quickly integrate into the organization and demonstrate their capabilities.
  > New hires include entry-level employees from open recruitment, experienced professionals from ad-hoc hiring, and externally enlisted executives.
- Entry-level employees receive group onboarding training covering Hyosung's core values, history, internal systems, and mentoring sessions with senior employees. They also undergo job-specific training by department and business unit and participate in on-the-job programs to understand their roles and adapt quickly.
- Experienced professionals attend a one-day quarterly training session introducing Hyosung's core values, organizational structure, and internal systems.
- New executives participate in a semiannual networking event to support internal relationship-building and are offered special lectures to better understand the company's history, structure, and management philosophy.

Onboarding Process for New Employees

OJT	• 1:1 On-the-Job Training (3 months): Through a one-on-one mentor-mentee system, new employees learn about tasks, teams, and business units twice a week based on the mentor's learning plan. Emotional support activities are also provided to help them adapt to the organization. • Work Review (2 months): Employees organize and review their individual and team tasks, establish their own workflow processes, and draft manuals or suggestions for improvement.
Job Fundamentals / Accounting Basics	• Job Fundamentals Course: Learn time management and task prioritization for more efficient work handling, foundational work skills, document writing basics, and verbal reporting principles for effective communication. • Accounting Basics Course: Includes a business simulation game to help understand corporate management and lectures on account-specific concepts to improve comprehension of financial statements.
Networking Session	• To supplement the limited interaction between new employees who join on different dates due to quarterly recruitment and to build familiarity, Hyosung supports organizational integration through networking sessions.
2nd-Year New Employee Training	• Training for employees in their second year of joining. • This program enhances self-understanding through psychological assessments and self-care methods. Based on these insights, participants develop their personal growth vision, rediscover the meaning of their work, and strengthen their motivation.



Talent Management

Employee Capability Development

Talent Development Strategy

- To realize value-based management through global leaders, Hyosung has established a talent development strategy that includes spreading its management philosophy, fostering leaders, enhancing job expertise, nurturing leadership, and strengthening the capabilities of overseas business units.
- The Human Resources Development Center provides systematic training to all employees to reinforce the company's core values, management philosophy, leadership, and job competencies.
- In 2025, the focus will be on delivering training that strengthens job capabilities through hands-on, repetitive learning, with an emphasis on practical application in the workplace.

Talent Development Strategy



Spreading Management Philosophy

- Instill Hyosung's core values, the "Hyosung Way," and its associated work attitudes into all employees through training programs, ensuring that the company's management philosophy is applied in practice.

Management Philosophy



Key Training Programs	Details	Targets
New Employee Training	• Hyosung provides structured training tailored to new employees and promoted staff. • The programs aim to help participants internalize and practice the company's values, including its core management philosophy, the Hyosung Way, and corporate history.	New Employees (Entry-level / Experienced / Executives)
Promotion Training		Promoted Employees
Communication Training	• To realize the 2025 management principle of becoming a "unified and strong company through communication," Hyosung offers training in key communication skills such as empathy/listening, recognition/gratitude, clear instruction/reporting, and refusal/alternative proposals.	All Employees

Job Competency Enhancement for Employees

- To realize value-driven management through global excellence, Hyosung offers step-by-step training programs tailored to each job function.
- In addition to company-wide training, education is also provided at the PU, business site, and team levels via on-the-job training, external programs, and online courses.

Key Training Programs	Details	Targets
VoC Training	Basic and in-depth courses to enhance VoC (Voice of Customer) capabilities - Basic: How to systematically collect market, customer, and competitor information - In-depth: Training on market, customer, and competitor analysis, as well as VIU (Value in Use) identification and strategy development—based on actual company cases, with the goal of practical application in real sales settings	Sales staff
DT Training	- Training on using automation tools (RPA), generative AI, and adapting to a digital work environment → Supporting changes in work styles and adaptation to a digitally driven work environment	All employees
Accounting Training	- Basic: Online and in-person training on case studies focused on cash flow-based management - In-depth: Workshops led by in-house finance instructors, by operating companies/PU	All employees
R&D Training	- Enhances business mindset and research topic development skills for research staff - Focuses on performance-driven research and evaluation capabilities	R&D staff
Safety & Health Training	- Improves basic safety knowledge and safety leadership skills	Safety- and health-related roles
Negotiation Training	- Enhances negotiation capabilities through understanding negotiation concepts and principles	Sales and Purchasing staff

Leadership Development

- Hyosung has built structured education programs to foster future business leaders who will lead sustainable growth. These programs aim to strengthen overall managerial capability and enhance leadership through tier-specific, customized education, thereby fostering a strong organizational culture.

Key Training Programs	Details	Targets
High-Potential Talent Training	• Proactively identifies high-performing, high-potential employees and builds a talent pool for development and management to support sustainable growth • Undergo in-depth capability assessments and are required to complete training in business management competencies • Additional training provided based on individual development plans	High-potential employees
Newly-Promoted Executive Training	• Provides leadership and management competency training to strengthen the ability to operate businesses and organizations from the perspective of recognizing one's role as a business leader and practicing responsible management	Newly promoted executives
GMC (Global Management Course) Training	• Provides training in 5 key subjects—business strategy, financial accounting, marketing, production management, and HR/organizational behavior—to cultivate future business leaders with strong management capabilities • Supported in carrying out individual performance tasks and exploring practical applications in the workplace	Executive candidates
New Team Leader Training	• Supports new team leaders in fulfilling their core responsibilities in performance, people, and organizational management	New team leaders
Insight Forum	• Invites external experts to deliver lectures on rapidly changing business environments and industry trends → Aims to enhance employees' strategic thinking, market insight, and leadership capabilities	Executives / Team leaders

Strengthening Capabilities of Overseas Offices

- To ensure sustainable growth of overseas subsidiaries, Hyosung gathers their training needs and provides educational support for both expatriates and locally hired staff.

Key Training Programs	Details	Targets
Local Employee Training	To enhance the expertise of expatriates and local employees, Hyosung provides support for self-directed learning through a global online learning platform.	Expatriates and local hires at the Türkiye and USA subsidiaries

Talent Management

Work-Life Balance

Hyosung's Work-Life Balance

· Hyosung believes that employee happiness is the foundation of corporate growth. Accordingly, it supports work-life balance through family-friendly policies and internal/external communication initiatives.



Operation of Designated Leave Days

· To encourage employees to voluntarily use their paid leave, Hyosung designates leave days on bridge holidays, around national holidays, and in months without any public holidays.
· This scheme enables employees to take extended vacations, helping them balance work and family life while allowing time for rest and rejuvenation.

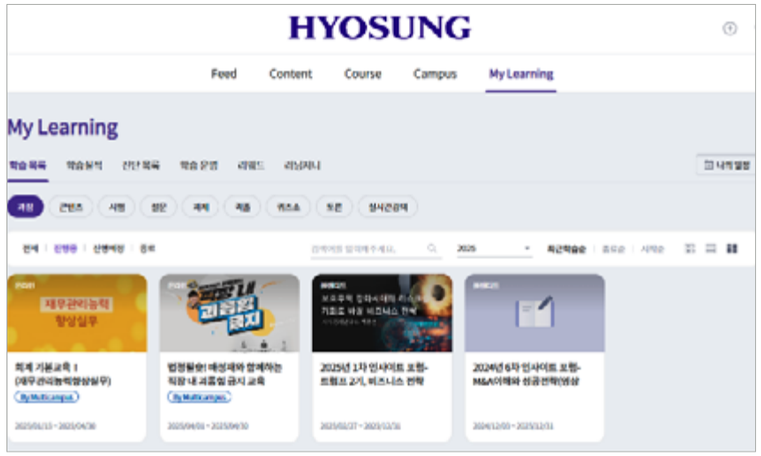
Implementation of a Flexible Working System

· Hyosung implements a flexible work scheme to comply with the legal 52-hour workweek and enhance productivity.
· The company operates a monthly selective working hour system, compensating any overtime work with extra pay.
· Work hours are flexibly and efficiently managed by allowing employees to allocate their time based on individual workloads and preferences.

Support for Health Management and Self-Development

Self-Development Subscription Services

· Following the COVID-19 pandemic and the rise of digital transformation, Hyosung has expanded contactless educational services.
· Since 2022, the company has offered on-demand self-development support through subscriptions to audio classes and audiobooks, allowing employees to learn anytime, anywhere, on topics of their choice using digital devices.



Hyosung online learning platform

Health Management

· Comprehensive health checkups are provided for all employees.
· Spouses of employees aged 40 and above are also eligible for comprehensive health screenings.
· All employees are covered by accident insurance.

Leisure Activity Support

· Financial support is granted for employee club activities.
· Resort accommodations are available for use by employees and their immediate family members.

Expansion of Family-Friendly Management

Children's Tuition Support

· Full support for tuition and entrance fees for employees' children enrolled in accredited domestic high schools and 2- or 4-year colleges.
· Support is also available for those attending overseas high schools and universities.

Maternity Protection System

· Maternity leave of 90–120 days and prenatal checkup leave
· Reduced work hours during pregnancy
· Leave and medical expense support in cases of miscarriage or stillbirth
· Reduced work hours after childbirth and parental leave available
· Guaranteed breastfeeding breaks and nursing rooms
· Paternity leave and family care leave for spousal childbirth or family illness
· Restrictions on night and holiday work for pregnant employees

In-House Daycare Center Operation

· Hyosung runs an in-house daycare center at its Mapo headquarters.
· To provide the best childcare environment for employees' children, the center is staffed by professionals from a specialized outsourcing agency and conducts regular inspections for environmental hazards.



Talent Management

Organizational Promotion Activities

Support for Teamwork Activities (Hyosung One Team, HOT)

- Hyosung operates the "HOT Program," a team-based organizational activation program, to foster a culture of teamwork and synergy within the organization.
- This program is led by internal instructors and is initiated through voluntary applications from teams. Since 2019, the program has been expanded to help newly appointed team leaders quickly establish team vision and communicate sincerely with members.
- The program aims to establish a team vision based on mutual understanding among team members, raise issue awareness, and foster a team environment where everyone can survive and thrive. By deriving actionable steps for all team members, the program creates opportunities for renewed organizational growth.
- In response to internal changes such as generational shifts, increased diversity, and evolving work styles, Hyosung continuously improves the program.

Proud Hyosung Employee Award

- On a quarterly and annual basis, Hyosung selects employees who have made significant contributions to company performance and development to receive the Proud Hyosung Employee Award.
- Winners are selected across divisions such as Marketing, Technology, Research, and Support, and are granted monetary rewards and HR-related benefits.
- This program aims to motivate employees to achieve management goals and drive performance. The scope of the awards has been expanded to recognize not only measurable achievements but also qualitative contributions, acknowledging and encouraging employee efforts.



Communication Improvement

Two-Way Communication System Within the Organization

- To promote communication across departments such as PGs and PUs, a Communicator System is in place.
- Each domestic and overseas PU and worksite selects at least one employee as a communicator. These individuals are trained on the importance of internal communication and are responsible for sharing workplace news within the company.
- Communication campaigns and company-wide training are conducted to establish a culture of communication within the organization.
- Team leaders learn coaching and mentoring skills to better manage their teams, while members are encouraged to understand generational differences in work styles and improve communication for greater job performance.

Performance Evaluation Feedback

- To enhance individual employee performance and career development, feedback is provided on the performance evaluation process and results.
- Focus is placed on the employee's growth by delivering detailed evaluation outcomes and providing coaching for improvements in attitude and results.

Enhancing Labor-Management Communication

- Hyosung has established a labor union and shares company management updates with on-site employees through management briefings and meetings with various employee groups.
- At headquarters, a Labor-Management Council is in place. Among its members, grievance-handling officers are appointed to review concerns raised during quarterly meetings, manage them company-wide, and continuously monitor for improvements.

HR Counseling Center Operation

- Grievances related to work, personnel, or interpersonal relationships—including sexual harassment, embezzlement, and HR misconduct—are immediately reported to the HR team leader at headquarters.
- Opportunities for job reassignment or counseling are offered to enhance employee satisfaction and reduce turnover.
- The HR team leader personally conducts feedback interviews with whistleblowers, and all counseling is handled with strict confidentiality.

Internal Bulletin Boards, Blogs, and External Communication Channels

- On the company intranet, employees can share work-related information and company updates and exchange opinions through bulletin boards like "Tong Tong Board" and the anonymously posted "Wagul Wagul."
- Feedback on suggestions and proposals posted on the Tong Tong Board is provided by the relevant department staff.
- Hyosung shares a variety of news internally and externally—including major corporate updates, social contribution activities, and employee stories—through the company blog "Media Hyosung," internal broadcasts (HBS), and company newsletters.
- Additionally, company information related to products and sustainability management is shared via external communication channels such as YouTube, Instagram, Facebook, and KakaoTalk.

External Communication Channels

Hyosung Blog – Media Hyosung
(kor) https://blog.hyosung.com/

Hyosung Official Instagram
(kor) https://www.instagram.com/hyosung.group_official/
(eng) https://www.instagram.com/hyosung_worldwide/

Hyosung Official Facebook
(kor) https://www.facebook.com/myfriendhyosung/
(eng) https://www.facebook.com/people/Hyosung-Worldwide/100082324926830/

HyosungTV YouTube Channel
(kor) https://youtube.com/@hyosung_tv
(eng) https://www.youtube.com/@hyosung_official

Hyosung KakaoTalk Channel
(kor) https://pf.kakao.com/_XFZvb

Hyosung Official LinkedIn
(eng) https://www.linkedin.com/company/hyosung-corporation/

- To find channels on KakaoTalk, YouTube, Instagram, Facebook, and LinkedIn, simply search for the respective channel name.

Supply Chain Management

Hyosung is committed to fostering a culture of responsible business practices with a wide range of partners within its supply chain. Various stakeholders recognize the establishment of a sustainable supply chain and the practice of fair trade as key components of corporate social responsibility. In response, Hyosung has established a Sustainable Supply Chain Policy and conducts regular supplier evaluations to systematically manage supply chain risks. Additionally, when entering into contracts with suppliers, Hyosung enforces compliance with the four key fair trade practices and operates a Fair Trade Compliance Program, striving to establish a culture of transparent and ethical business transactions.



Link to the Four Key Fair Trade Practices (Website)

Hyosung 2024 Supplier Re-Evaluation Assessment Results



Prohibition of Forced Labor and Child Labor



Guarantee of Freedom of Association

Sustainable Supply Chain Operation

Supply Chain Governance

· Hyosung Corporation has established a sustainable supply chain management system under the ESG Management Promotion Committee, which includes members responsible for supply chain-related matters and a supporting operational organizations.



Refer to p. 9 for the full ESG Management Promotion Committee structure.

Sustainable Supply Chain Policy

[Homepage Link]

· Hyosung has established a Sustainable Supply Chain Policy that outlines ESG-related key management issues and risk management processes across its supply chain.

Key ESG Management Issues in the Supply Chain	
Eco-Friendly Purchasing	· Established classification principles for eco-friendly products · Priority is given to suppliers that reduce negative environmental impacts
Climate Change Response in the Supply Chain	· Suppliers are required to calculate their greenhouse gas emissions and establish reduction plans · Support is provided through greenhouse gas-related training and resources
Human Rights and Labor in the Supply Chain	· Forced labor and child labor are explicitly prohibited within the supply chain
Support for Capacity Building across the Supply Chain	· Enhanced supplier productivity, strengthened ESG compliance capabilities, and improved climate response capacity

Supply Chain ESG Risk Management Process

Assessment & Due Diligence → Prevention & Mitigation Measures → Grievance Handling → Monitoring

Enhanced Supplier Registration and Evaluation

· New suppliers may freely apply for and get reviewed through the electronic procurement system.
· In addition to assessing quality, delivery, and price, the registration review also evaluates ESG risks such as compliance with environmental and safety laws, human rights and labor practices, and ethics.
· Final registered suppliers sign contracts that include ESG clauses and are required to submit a pledge to adhere to the Supplier Code of Conduct.

New Supplier Selection Process

Enlistment of suppliers → Supplier selection review → Final selection (bidding to contract) → Transaction commencement (ordering to delivery)

· Existing suppliers undergo re-evaluation, and actions are taken based on performance grades.
· Grade A (90 points or above) – Priority in contract opportunities;
Grade E (Below 60 points) – Suspension of transactions

Evaluation Criteria and Scoring for Existing Suppliers

Category	Key Evaluation Items	Scoring
System, Price, Delivery	Quality management processes, number of defects, price competitiveness, on-time delivery performance, etc.	65
Management	Existence of ethical guidelines, compliance with anti-corruption and fair trade laws, donations and volunteer activities, etc.	10
Human Rights	Systems prohibiting child and forced labor, guarantee of freedom of association, gender discrimination prevention and maternity protection policies, etc.	10
Safety & Environment	Dedicated environmental organization, violations of safety/environment laws, environmental permits, frequency of safety inspections, etc.	15

Emergency Response Scenarios and Manuals for Supply Continuity

· Hyosung Corporation has established scenario-based drills and response manuals to ensure systematic responses in the event of emergency supply disruptions. Based on a variety of scenarios—such as strikes, transportation accidents, environmental incidents, and cyberattacks—Hyosung conducts simulation training for damage recovery and mitigation, and verifies the effectiveness of the training outcomes.

Conflict / Responsible Minerals Policy

· Hyosung Corporation seeks to address and improve issues such as human rights violations and environmental destruction that arise during the mining of conflict/responsible minerals by establishing a responsible mineral supply chain and encouraging supplier participation.

[Link to Conflict/Responsible Minerals Policy]

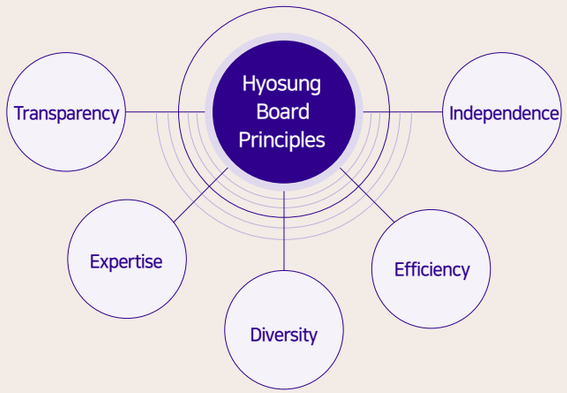
Fair Trade Compliance Program

· Hyosung Corporation has implemented a Fair Trade Compliance Program since September 2006 to ensure voluntary compliance with fair trade-related laws and regulations. The program is overseen by a compliance officer appointed by the Board of Directors. The Compliance Team monitors legal revisions annually and updates the program accordingly. It also provides training and monitoring to ensure all employees comply with fair trade practices.

[Link to the Fair Trade Compliance Manual]

Governance

In line with its management philosophy—"Enhance and enrich the quality of life for humanity with its leading technology and management capability"—Hyosung is committed to transparent and fair corporate governance and operational principles. The Board of Directors of Hyosung Corporation, as the highest decision-making body, is organized based on five core principles, ensuring a balance of diversity and expertise. It has established an independent and efficient governance system through checks and balances. Furthermore, to promote sustainable growth and protect shareholder rights, the board deliberates and resolves on matters stipulated by laws or the Articles of Incorporation, matters delegated by the general meeting of shareholders, and key issues related to basic management policies and business execution. It also aims to enhance the rights and interests of stakeholders, including shareholders.



Board Composition and Operational Principles

Board Independence and Transparency

- Hyosung ensures the independence and oversight function of the Board of Directors by appointing outside directors who have been verified for independence by the Outside Director Candidate Recommendation Committee, and approved by a majority of the board members.
- In accordance with the Articles of Incorporation and Board Regulations, matters requiring board resolutions are reviewed and resolved accordingly. Any director with a special interest or potential conflict of interest is prohibited from voting.
- The Audit Committee within the board is composed entirely of outside directors.
- The ESG Management Committee, Outside Director Candidate Recommendation Committee, and Compensation Committee are comprised of at least two-thirds of their members being outside directors, and each committee is chaired by an outside director.

Board Diversity and Expertise

- The Board includes outside directors with expertise across various fields such as society, economics, finance, law, technology, and the environment.
- The Audit Committee includes at least one member with expertise in finance, accounting, or financial affairs.
- To enhance board member expertise, regular and ad-hoc training sessions are conducted.
- Newly appointed directors receive orientation on Hyosung's vision, strategy, financial status, and key policies, while ongoing education is provided to current directors to deepen their understanding of the industries in which Hyosung operates.
- The board includes female outside directors.

Board Skills Matrix (BSM)

Director Competency	Details	Number of Directors
Management / Leadership	· Possesses expertise or experience in managing large-scale organizations	9
Economy / Industry	· Expertise in the company's business sectors · Possesses experience in optimizing stages of the supply chain such as production and distribution, or in efficient business operations	7
M&A / Capital Markets	· Expertise to support the company's investment decision-making · Possesses proficiency in M&A strategy, risk analysis, and relevant legal and regulatory frameworks	6
Sales / Marketing	· Possesses expertise or experience in expanding market share, increasing brand awareness, and managing corporate image	5
R&D / Industrial Technology	· Possesses expertise or experience in research and industrial technology for identifying new business opportunities and discovering business models in response to technological changes	4
Accounting / Finance	· Expertise in auditing company accounting and financial management	4
Legal / Regulatory / Public Policy	· Expertise in identifying and managing public policy, legal, and regulatory issues that may impact company management	5
Environment / Culture / Social Contribution	· Possesses expertise or experience related to human rights management, fair operations, education, arts and culture, social investment, and community engagement	7
Risk Management / ESG Strategy	· Possesses ability to proactively diagnose enterprise-wide risks in management, legal, accounting, and experience in operating risk management processes	9
Global Business	· Expertise in business capabilities and risk management related to international political dynamics, global environment, and regional cultural characteristics	7

Ratio of Outside Directors 66.7%

Female Ratio 11.1%

Median Age 65.3

Committees per Director 1.8

Governance

Board Composition and Operational Principles

Board Composition

- Composed of directors appointed by the shareholders meeting
- As of the end of March 2025, consists of three inside directors and six outside directors
- Inside directors are nominated by the board by identifying suitable candidates; outside directors are recommended through a separate resolution process by the Outside Director Candidate Recommendation Committee
- Related information is thoroughly provided to shareholders in the reference materials disclosed prior to the shareholders meeting and in the notice of convocation. Approval is obtained from shareholders on the meeting day

Board Operation

- According to Article 6 of the Board Operation Regulations, regular board meetings are held quarterly in principle, with extraordinary meetings held as necessary.
- In 2024, the board convened eleven times with an average attendance rate of 98% per director.
- Outside directors may ask questions, offer opinions on management, request information, inspect various meeting minutes, ledgers, and other documents, and consult with internal and external experts as needed.
- The company actively cooperates with outside directors' requests to facilitate smooth performance of their duties.

Fair and Transparent Compensation

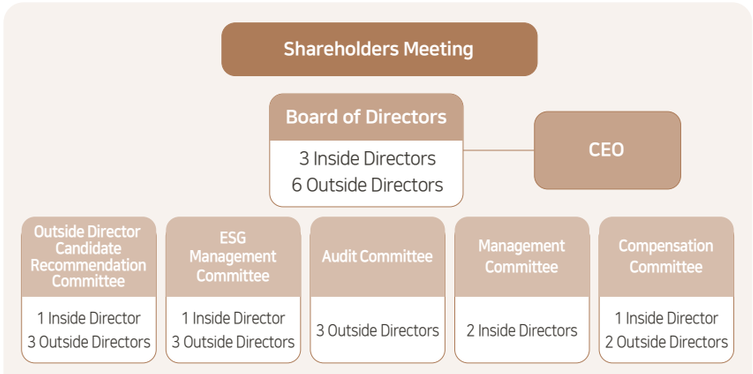
- Inside directors' performance is comprehensively evaluated based on quantitative indicators (sales, operating profit, net profit) and qualitative contributions such as ESG management and global management.
- Director remuneration is paid within the limits approved by the shareholders meeting, based on evaluation results and executive remuneration regulations.
- Severance payments are made according to the executive severance pay regulations determined by a shareholders' resolution.

2024 Director and Auditor Compensation Status

Unit: KRW million

Category	Number of People	Total Compensation	Average Compensation per Person
Registered Directors	2	37,952	15,181
Outside Directors	3	162	54
Audit Committee Members	3	162	54

Board of Directors Committees



* As of the end of March 2025

- For details on the chairperson and others, refer to the business report section "Matters Regarding the Board of Directors."

Roles of Committees

- Committees are established within the board to enable efficient decision-making and perform specialized functions in accordance with related laws and regulations.
- Certain board powers are delegated to committees whose members possess relevant experience and expertise to review and process matters.

Committee	Role
Management Committee	Deliberate and decide on management policies and investment matters delegated by the board per articles of incorporation and board regulations
Audit Committee	Responsible for audit plans, review of important accounting standards and changes, internal control system evaluation, selection and evaluation of external auditors, etc.
Outside Director Candidate Recommendation Committee	Verifies the independence, qualifications, and competencies of outside director candidates and recommends them to the board
ESG Management Committee	Pre-reviews major management matters like splits, mergers, asset sales, shareholder rights and returns policies, large-scale internal transactions under Fair Trade Act, ESG policies and goals, risk management, and investment and activity plans
Compensation Committee	Ensures transparency and fairness in director remuneration decisions and enhance shareholder value

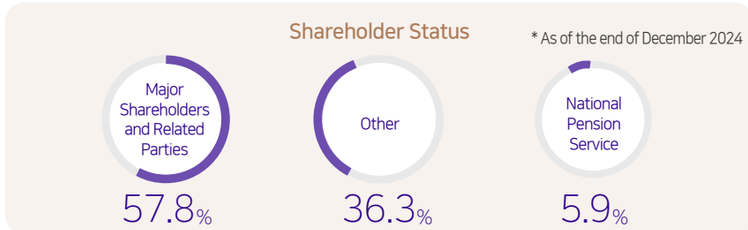
* In April 2021, the existing Governance Committee within the Board of Directors, called the Transparency Management Committee, was expanded and reorganized to include environmental and social areas, becoming the ESG Management Committee.

Committee Operation Status

Committee Name	Composition	2024 Operation Status
Management Committee	Inside Directors: Whang Yun-eun (Chair), Kim Kwang-oh (2 members total)	24 meetings
ESG Management Committee	Outside Directors: Jeong Dong-chae (Chair), Seong Yun-mo, Kim So-yeong, Inside Director: Whang Yun-eun (4 members total)	11 meetings
Outside Director Candidate Recommendation Committee	Outside Directors: Yoo Il-ho (Chair), Seong Yun-mo, Kim So-yeong, Inside Director: Cho Hyeon-jun (4 members total)	1 meeting
Audit Committee	Outside Directors: Kim Ki-wung (Chair), Yoo Il-ho, Cho Byeong-hyeon (3 members total)	6 meetings
Compensation Committee	Outside Directors: Jeong Dong-chae (Chair), Kim Ki-wung, Inside Director: Kim Kwang-oh (3 members total)	1 meeting

Shareholder-Friendly Management and Rights Protection

- Hyosung has paid year-end dividends for 19 consecutive years, from 2006 to 2024, returning management performance to shareholders.
- To protect shareholder rights and allow sufficient time for agenda review, regular shareholders meeting notices are issued 17 to 22 days in advance.
- Shareholders can exercise their proposal rights by submitting agenda items in writing or electronically up to 6 weeks before the meeting.
- Regular performance announcements and non-deal roadshows (NDRs) targeting institutional investors in Korea and Asia are held annually to improve shareholder understanding and trust; Investor Relations (IR) materials are provided according to shareholders' information needs.
- Separate internal control regulations are established and followed to prevent insider training and self-dealing by executives or controlling shareholders.



Risk Management

As risk management capabilities have become a major benchmark for evaluating corporate sustainability, they are now a core concern for a wide range of stakeholders, including investors.
As a holding company, Hyosung Corporation recognizes the significant impact of both its own sustainability and the risks affecting its affiliates. Accordingly, Hyosung integrates financial and non-financial risk management at the group level.
This includes prompt identification of risks not only our own but also those of our affiliates and the establishment of differentiated response systems based on risk type, thereby systematically strengthening the group's overall sustainability.

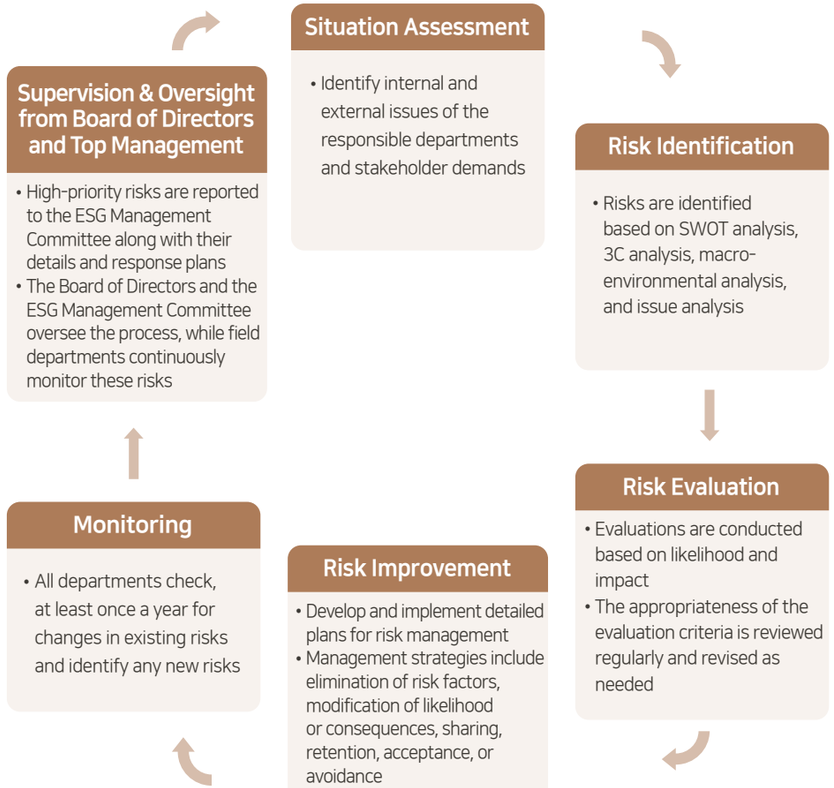


Risk Management System and Process

Risk Management System

- Hyosung Corporation's Board of Directors and ESG Management Promotion Committee review and approve major company-wide risks and management plans.
- In 2022, the ESG Management Promotion Committee established an enterprise-wide risk management plan and process.
- Relevant departments identify, assess, and respond to risks based on internal team-level policies. For critical risks, an internal protocol mandates reporting to the ESG Management Committee for appropriate action.
- Hyosung Corporation transparently discloses key financial and non-financial risks in its Sustainability Report.

Risk Management Process



Key Activities in 2024

Raising Awareness of Risk Management

To promote a enterprise-wide culture of risk awareness, Hyosung Corporation provides training for relevant departments and company-wide personnel.

Activity	Targets	Cycle
Greenwashing Risk Response Training	Sales, PR, marketing departments, etc.	Once a year
Greenwashing Risk Online Training	All employees enterprise-wide	Once a year

On-Site Safety Risk Management

At Hyosung Corporation's Anyang Plant, Hyosung R&DB Labs, Commercialization Technology Center, and Power & Industrial Systems R&D Center, regular safety inspections and theme-based inspections are conducted to continuously control safety risks.

Activity	Details	Cycle
Daily inspections	Compliance with checklist items	Once a day
Theme-based inspections	Manage pre-inspection items; conduct full checks during patrols	Once a month

Internal Accounting Management System

To improve the accuracy of accounting information and manage financial risks, Hyosung Corporation has operated an internal accounting management system since 2019, with a dedicated department in charge. The company discloses an annual operational report on this system following external audits. The results of the system's operation are regularly reported to the Board of Directors and the Audit Committee. In 2024, reports were submitted three times to the Board and twice to the Audit Committee. Starting in 2024, the internal accounting system has been applied on a consolidated basis, expanding the scope of internal control to include subsidiaries and affiliates.

Additional Risk Identification: Biodiversity / Water Risks

Hyosung Corporation and its subsidiaries used tools provided by the World Wide Fund for Nature (WWF) and the World Resources Institute (WRI) to assess biodiversity and water-related risks at 24 key sites, including offices, factories, and auto service centers. Biodiversity risks were found to be low to medium in terms of both physical and reputational aspects. Water risk was identified as "very high" at the Vietnamese plant of Hyosung TNS, a subsidiary. Based on the assessment results, prevention and management plans are currently under development.

Risk Management

Sustainability Risks

Preparation for Sustainability Disclosures

· To prepare for sustainability disclosures, Hyosung Corporation has calculated Scope 1 and 2 greenhouse gas emissions for 10 of its 14 major subsidiaries, and conducted third-party verification of the calculated emissions. Additionally, 3 subsidiaries that operate manufacturing sites plan to calculate Scope 3 emissions as well.
· Hyosung Corporation maintains continuous contact with relevant organizations regarding the establishment of sustainability disclosure standards. It has submitted review comments on the domestic draft of sustainability disclosure standards to the Korean Accounting Standards Board and provided feedback on the disclosure system through associations such as the Federation of Korean Industries.

Response to EU Corporate Sustainability Reporting Directive (CSRD)

· Hyosung is monitoring global ESG regulatory trends, such as the EU's CSRD and preparing responses.
· To ensure sustainable business operations, Hyosung is monitoring relevant developments and assessing their impact on both European subsidiaries (such as Hyosung Europe S.R.L) and domestic and international affiliates that export to Europe, and is setting its strategic direction accordingly.

Response to Global Forced Labor Regulations

· Hyosung is monitoring global developments related to forced labor regulations and has established response measures.
· The company is reviewing and preparing to comply with regulations such as the US Uyghur Forced Labor Prevention Act (effective 2023) and the EU regulation restricting trade of products linked to forced labor (expected to be implemented in 2026). Hyosung is conducting ongoing monitoring to prevent violations.

Global Climate Regulation Response

· Monitors international carbon regulations such as Carbon Border Adjustment Mechanism (CBAM), and responds to customers' climate-related requests
· At the request of global automobile manufacturers, Hyosung calculated and submitted carbon emissions from parts produced at Anyang Plant

Grievance Mechanism

To support sustainable management, Hyosung Corporation operates a reporting center on its website where stakeholders, including shareholders and customers, can raise expectations, demands, or concerns. Reportable issues include: violations of the code of ethics or laws; trade complaints, unfair trade, corruption; human rights violations, workplace harassment; and other grievances, illegal, or unfair practices. Whistleblower's anonymity and confidentiality are guaranteed, and no disadvantages will result from reporting.

Risk Management by Key Type

Financial Risks

Category	Risk Details	Control Activities
Market	Fluctuations in stock price, interest rates, and exchange rates	• Operate an internal accounting management system • Minimize foreign exchange positions; clearly define measurement frequency, hedge duration, and hedge ratios in FX risk management policy
Credit	Inability of customers or counterparties to fulfill contractual obligations	• Set and manage credit limits for trade receivables in accordance with internal credit management regulations • Conduct credit assessments and manage collateral or recovery measures for investments and loans
Liquidity	Risk of unexpected liquidity deterioration	• Regularly forecast future cash flows to maintain an appropriate level of cash reserves • Establish agreements with financial institutions for emergency funding

Non-Financial Risk – Business Continuity

Category	Risk Details	Control Activities
Supply Chain	Delayed delivery due to failure in securing raw materials or ensuring production continuity	• Trains for emergency response per scenario • Conducts regular quality/environmental assessments of raw material suppliers according to IATF 16949, ISO 9001, and ISO 14001 • Supports ESG capability-building for partners and conducts periodic assessments • Operates the Bid Approval Committee (BAC)
Disasters & Safety	Earthquakes, fires, or safety accidents at the workplace	• Operates a dedicated organization for safety risk management • Forms emergency response teams; prepares manuals and recovery actions for each scenario • Conducts regular joint public-private drills based on accident scenarios such as fires and explosions
Customer Safety	Health and safety risks from harmful substances like heavy metals during product use; risk of supplying low-quality products	• Pre-inspects of hazardous substance leaching, including heavy metals, hazardous substances, and VOCs through component testing and analysis • Discloses compliance with quality standards through ISIR reports, specifications, etc. • Obtains safety certifications such as flame retardant certificates
Environ-mental	Legal penalties/ fines for environmental regulation violations	• Operates a dedicated team for environmental risk management • Conducts regular risk assessments and prevention measures via environmental impact analysis • Renews ISO 14001 certification and conducts internal audits • Performs regular drills based on chemical or wastewater leakage scenarios

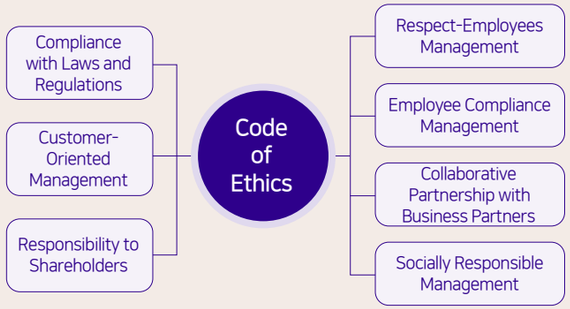
Non-Financial Risks – Related to Management

Category	Risk Details	Control Activities
Climate Change	Risk of emissions-related regulations and physical risks leading to business transformation	• Operates a dedicated organization for climate change risk management, monitors relevant regulations, sets reduction targets, implements high-efficiency equipment, and fosters experts • Monitors GHG emissions from Hyosung Corporation and its subsidiaries' business sites, calculates product carbon emissions and implements reduction efforts • Uses internal carbon pricing to guide business direction and investment decisions
Quality Manage-ment	Risks due to changes in the 4M (man, machine, material, and method) Risks affecting continuous supply or delivery	• Evaluates the validity of 4M changes and monitors quality levels • Manages through the non-conformance handling process • Develops and conducts training for quality risk emergency scenarios
Human Rights	Human rights violations and personnel management issues	• Conducts regular human rights impact assessments and follows up with improvement measures • Establishes and implements a human rights policy and remedy manual for violations • Conducts training on human rights protection and non-discrimination, and operates a reporting system
Information Security	Risks of external cyber attacks, internal data leakage, and loss of information	• Through the Information Security Council, establishes detailed security measures and incident response processes • Conducts periodic vulnerability assessments and mitigation • Prevents information leakage via Enterprise Content Management (ECM) and Information Security Center operations
Legal & Ethics	Risks of unfavorable contracts, lawsuits, unfair trade practices, and corruption	• Prevents legal risks by adhering to contract review regulations and using standard contract templates; shares case studies to raise awareness • Improves understanding through practical training in foreign exchange, patents, and contract management • Conducts anti-corruption and ethics training covering the Anti-Graft Act, Subcontracting Act, and Fair Trade Act
Reputation	Corporate image deterioration due to misinformation, negative communication, greenwashing, etc.	• Provides PR risk response training for new hires and promotees • Conducts training on codes of conduct and response procedures for PR staff using case studies • Promotes brand marketing and stakeholder communication through various channels • Provides anti-greenwashing training for sales, PR, and marketing departments, and pre-reviews external publications by the compliance team
Information Disclosure	Risk of legal violations, loss of customer trust, or product safety accidents due to insufficient product information	• Identifies industrial and automotive floor carpets and carpet yarns (produced by Hyosung Corporation) as requiring information disclosure • Provides details on manufacture date, lot number, material composition, handling instructions, and specifications through labeling • Provides customers with technical documentation including inspection standards, test reports, and reliability test results
Brand / Marketing	Risks of brand/trademark infringement, false/ exaggerated/minimized information, and excluding vulnerable groups from communication	• Complies with separate guidelines for brand and trademark protection and value enhancement • Established and operates "Principles for Ethical Marketing" • Encourages external advertising/marketing agencies to follow these principles

Ethical Management

Hyosung has established the foundation for ethical management by enacting a Code of Ethics and Guidelines for Ethical Practice, and systematically manages and supervises ethical practices through the Board of Directors and the ESG Management Committee. To foster a company-wide culture of ethical management, Hyosung operates related training and engagement activities, provides channels for stakeholders to report risks both proactively and reactively, and monitors the results of actions taken on reported cases.

Through this ethical management framework and activities, Hyosung aims to prevent risks, build trust, and meet stakeholder expectations.



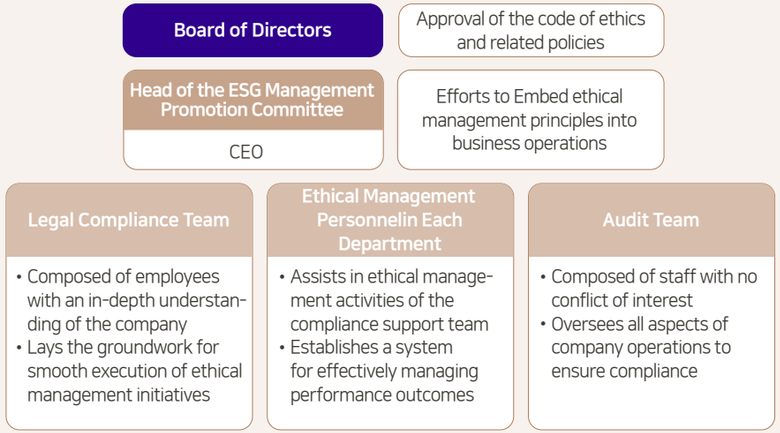
Ethical Management Implementation System

Ethical Management Policies

· To ensure transparent management practices, Hyosung has established the Code of Ethics and Ethical Practice Guidelines, which serve as standards to help all employees make upright and ethical decisions.
· These policies are regularly revised to reflect global trends and to continuously strengthen the standards of conduct.
· Hyosung's ethical management policies complement key areas such as anti-corruption and human rights management. These policies are also publicly disclosed on the company website for stakeholders.

Ethical Management Organizational System

· Hyosung Corporation is promoting ethical management under the supervision of the Board of Directors and the ESG Management Promotion Committee.
· The Compliance Support Team, a dedicated organization, collaborates closely with ethical management officers in each department, and internal auditors are appointed to oversee overall business operations.



Refer to p. 9 for the full ESG Management Promotion Committee structure.

CEO's Pledge of Ethical Management

Since 2020, the CEO of Hyosung Corporation has annually participated in the Ethical Management CEO Pledge Ceremony, hosted by the Ethical Management ESG Forum under the Institute for Industrial Policy Studies, publicly expressing of Hyosung Corporation commitment to ethical business practices.

Enhancing Awareness of Ethical Management

Spreading Awareness and Providing Education

Activity	Details	Targets
Online Training on Ethical Management	• Ethical management, fair trade, greenwashing, overall human rights management	All employees
Ethical Practice Pledge	• Compliance with the Code of Ethics and Practice Guidelines • Prohibition of improper solicitations and gifts	New employees
Training for High-Risk Tasks	• Understanding Subcontracting Act and Fair Trade Act • Case studies of contract violations	Procurement team
	• Education on protection of trade secrets, embezzlement, bribery, document forgery, etc.	Sales team
Spreading Ethical Management in the Supply Chain	• Pledge to comply with the Code of Conduct • Provision of ethical training materials	Suppliers

Communication Channels for Ethical Management

· Operates internal reporting channels for unethical conduct and grievances, including sexual harassment, personnel misconduct, and workplace bullying
  - HR Counseling Center, Whistleblower's Center, Grievance Office, Online Anonymous Counseling
· Operates an external whistleblowing channel for external stakeholders
  - Website reporting channel
· Applies Whistleblower Protection Principles to safeguard the identity of reporters; outcomes of reported cases are made available on the company website

Strengthening Internal Monitoring and Post-Management

· Hyosung conducts regular audits in accordance with the annual audit plan and performs ad-hoc audits in response to issues identified through internal and external reports.
· The audit process includes comprehensive assessments across areas such as quality, technology, sales, and production, with a focus on preventing ethical violations.
· Hyosung ensures the independence and anonymity of audit activities to minimize any unfair treatment of both auditees and whistleblowers.
· Based on the severity of findings, appropriate measures such as warnings, disciplinary actions, or compensation claims are taken. The CEO oversees the audit results and their follow-up.
· Improvement actions are implemented immediately following audit findings, and periodic re-evaluations are conducted to ensure similar issues do not recur.

Information Security

Hyosung Corporation proactively operates an information security system to prevent financial damage and cyber reputational risk caused by information leakage, hacking, and other security incidents. A Chief Information Security Officer (CISO) leads a dedicated team to establish information security policies and prepare response processes for potential incidents.

An Information Security Center allows stakeholder participation and, along with a central control system, integrated log management, and security monitoring, helps professional personnel protect the company's critical information assets. Additionally, Hyosung Corporation promotes a security-embedded organizational culture through information security training for employees, partnerships with external related institutions, and security-related investments and public disclosures on security measures.



Hyosung Coporation's Key Areas of Information Security Management

- Management Security
- IT Security
- Physical Security
- Personal Data Protection

Strengthening the Information Security System

Information Security Governance Structure



Refer to p. 9 for the full ESG Management Promotion Committee structure.

· Hyosung Corporation promotes information security initiatives under the supervision of the Chief Information Security Officer (CISO), who is appointed by the CEO. A dedicated Security Team, composed of information security professionals, is responsible for developing security policies, planning security improvement activities, and conducting information security training for employees.
· The Security Team works in collaboration with security officers assigned to each business site and department to effectively disseminate and embed information security practices, while continuously enhancing employee awareness of security.
· Additionally, Hyosung Corporation operates an Information Security Council, in coordination with the security units of its operating companies, to strengthen synergy in security activities across the entire group.

Information Security Policy

· Hyosung Corporation has established information security regulations and manages them through a policy framework composed of 9 operational standards and 10 implementation guidelines.

Policy Type	Details
Security Regulations	• Establish principles for the protection and safe use of information assets
Operational Standards	• Includes personnel security, information asset management, business continuity, incident response, compliance checks for information protection, personal data protection, physical security, IT infrastructure security, disciplinary actions related to security, and management of video surveillance systems
Implementation Guidelines	• Internal management of personal data, secure USB management, security log review, conducting security audits, disciplinary management for security audit violations, management of video surveillance equipment, sealing of hard disk drives, control of camera usage on mobile devices, response to security incidents

Information Security Incident Response Process

· Hyosung Corporation has established and operates an incident response system to ensure swift action and minimize damage in the event of an information security incident, such as a personal data breach.
· All response outcomes are reported to the Chief Information Security Officer (CISO), who is responsible for overseeing cause analysis, corrective actions, and follow-up measures.

Stage	Details	Responsible Parties
Incident Detection	• Detect the incident • Report the incident	• Security monitoring team, IT system administrators, collaborating users • Security operations team, security team
Initial Response	• Identify the circumstances of the incident • Assess severity • Submit the first report	• Security operations team, security team • CEO, CISO
Response Strategy Development	• Determine the need for external cooperation • Create a security incident analysis team	• Security operations team, security team • External bodies and cybersecurity agencies
Incident Investigation	• Analyze the incident • Establish preventive measures • Maintain incident records • Notify related authorities • Implementation and monitoring	• Security monitoring team, IT system administrators, collaborating users • Security operations team, security team

Information Security Risk Assessment and Corrective Actions

· Hyosung Corporation conducts annual risk assessments to prevent information security incidents and protect both tangible and intangible internal assets.
· In 2024, in consideration of the company's high IT dependency and external hacking threats, a risk assessment was performed on key IT infrastructure such as servers, databases, and networks. In addition, a separate evaluation was made on externally exposed web systems, including the company website and groupware platforms.
· As a result of the assessment, vulnerabilities such as lack of documentation were identified in some systems. Corrective actions, including documentation improvements, were implemented in phases, and a management plan was established accordingly.

Information Security

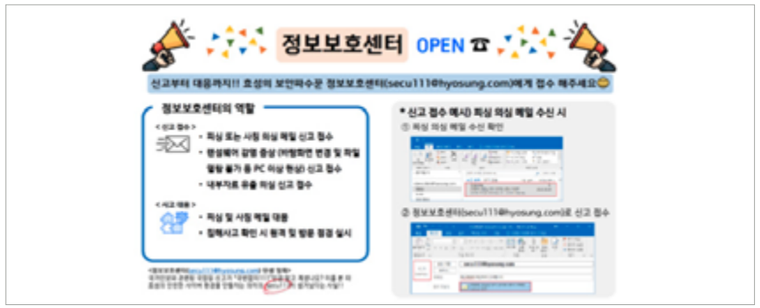
Key Information Security Practices

Centralized Control System to Prevent Data Leaks

- Hyosung Corporation systematically manages all internal documents by setting management classifications and retention periods based on the Enterprise Content Management (ECM) system (centralized document control system).
  - Document Management Classifications: General / Confidential / Top Secret
  - Retention Periods: 1 year / 3 years / 5 years / 10 years / Permanent
- Access rights and external transfers of documents are applied differentially based on their clearance level. A centralized management system monitors document flows to proactively prevent data leaks.

Internal Reporting & Monitoring via Information Security Center

- Since 2024, Hyosung Corporation has operated an Information Protection Center to receive reports on issues such as spear phishing and malware. All reported cases are followed up promptly to prevent further spread.
- If a security incident occurs or is suspected, employees must report it to the center immediately. The company shares phishing cases via internal bulletin boards and provides guidance on how to use the center.



Opening of the Information Protection Center announcement

Integrated Log Management and Security Monitoring

- Hyosung Corporation has established an integrated log storage system to efficiently manage logs generated from various security equipment such as servers, network devices, and firewalls, and has continuously improved system performance. This provides a stable foundation for the collection, processing, and storage of large volumes of log data.
- In addition, Hyosung Corporation operates a 24/7 security monitoring system, enabling the prevention of security breaches and allowing for a rapid response to suspicious signs when they occur.

Establishment of External Cooperation System

- Hyosung Corporation has built cooperative networks with government agencies, the Korea Industrial Technology Protection Association, and the Korea Academy of Industrial Security to protect core technologies and intellectual property.
- In 2024, Hyosung Corporation participated in the Industrial Security Conference hosted by the National Intelligence Service and the Ministry of Trade, Industry and Energy, benchmarking best practices and internalizing them to suit its own environment.

Information Security Investment and Disclosure

- Since 2022, companies exceeding a certain revenue threshold have been required to disclose their previous year's investments, workforce, and activities related to information security to promote Internet user protection and security investment. Hyosung Corporation disclosed its 2023 information protection status in June 2024.

Targets	Disclosure Details	Total IT Investment (%)
Information security investment	KRW 420 million	12.7%
Dedicated security personnel	1.2 persons	5.9%

Personal Information Protection & Privacy Policy Infographic Disclosure

- Hyosung Corporation continuously monitors amendments to the Personal Information Protection Act and other relevant regulations, and regularly reviews and updates its own personal data processing policies to ensure compliance.
- To help customers and other stakeholders better understand its privacy policy, Hyosung Corporation presents the content in the form of infographics, making it easier to intuitively grasp details such as the purpose of data collection, methods of use, and data disposal procedures.



Privacy Policy Infographic

Website Privacy Policy

Information Security Training & Information Protection Pledges

- Hyosung Corporation develops annual information security training plans, providing regular education to new hires and current employees.
- Through email and intranet bulletins, Hyosung Corporation runs awareness campaigns to continuously improve employee security awareness.
- In 2024, company-wide training focused on domestic industrial technology leakage cases, emphasizing their implications for information security and the importance of compliance with relevant laws and internal guidelines.
- After completing the training, all participants signed a security pledge, reinforcing practical understanding of information protection.

Training Name	Details	Hours	Time of Year	No. of Participants
Industrial Technology Leakage Cases & Information Protection	Technology protection activities and security guidelines for employees based on industrial technology leakage cases	1	August	422 persons
Personal Information Protection Training	Overview and importance of personal information, and the importance of prevention and response to personal information leakage incidents	1	September	442 persons

▶ 970 employees to have completed training including security training in 2024.

Simulated Phishing Email Training

- Hyosung Corporation conducts simulated phishing email training twice a year to strengthen employees' ability to respond to malicious emails.
- It also distributes phishing response guides, enabling employees to recognize suspicious emails and take appropriate action, thereby proactively preventing malware infections.



Employee notice for simulated phishing email training

Social Contribution

In contemporary society, companies are expected to go beyond traditional roles of production and employment, and actively address diverse social issues as members of society. Accordingly, fulfilling corporate social responsibility and gaining a positive reputation and legitimacy are becoming increasingly important for sustainable growth. Hyosung avoids one-off support and promotes sustainable social contribution activities that help beneficiaries build a foundation for self-reliance. Furthermore, the company continuously strives to realize co-prosperity with local communities through business-linked initiatives.

Hyosung's 2024 Social Contribution Achievements

- Social Contribution Investment: KRW 220 million
- Number of Programs: 26
- Number of Participating Employees: 629
- Total Volunteer Hours: 193 hours

Social Contribution Management Framework

Social Contribution Governance

· Hyosung Corporation has established a social contribution management framework under the Communications Department, which is part of the ESG Management Promotion Committee.

Board of Directors	Final approval and resolution
Head of the ESG Management Promotion Committee / CEO	Approval of mid- to long-term strategies and programs
Head of Communications	Development and operation of mid- to long-term strategies
Headquarters / Anyang Plant	Listening to stakeholders, planning and executing programs based on their needs

Refer to p. 9 for the full ESG Management Promotion Committee structure.

Social Contribution Strategy

Slogan	We will stand with you through sharing.		
Vision	A company that empowers beneficiaries to pioneer their future through education and sharing		
Themes	Support for vulnerable groups	Support for culture and the arts	Honoring national veterans
Detailed Promotion Strategies	Creating an environment where beneficiaries can become self-reliant	Discovering sustainable programs through communication with local stakeholders	Expanding long-term support programs (3+ years)

Mid-to-Long-Term Community Participation Goals

· Hyosung's Anyang Plant identifies partner organizations and stakeholders for each social contribution program and manages mid- to long-term goal setting and performance tracking.

Program	Local Communities	Stakeholder	2024 (Actual)	2025 (Target)	2026 (Target)	2027 (Target)
Elderly Care Support	Seolwon Welfare Foundation	Elderly	23 persons	23 persons	23 persons	23 persons
Child Welfare Center Support	Pyeonghwa Welfare Foundation	People with Disabilities	4 persons	4 persons	4 persons	4 persons
Hogye 2-dong Support	Saemaeul Association, Anyang-si	Local Residents	100 persons	100 persons	100 persons	100 persons

Social Contribution Recognition

Selected as a Certified Company for Community Engagement

· Since 2019, the company has been recognized for its social contribution efforts through the Community Contribution Recognition Program jointly administered by the Ministry of Health and Welfare and the Korea National Council on Social Welfare.





Certified as an Excellent Organization for Supporting Culture and Arts

· Since 2015, Hyosung has been certified as an excellent organization for supporting culture and arts by the Ministry of Culture, Sports and Tourism.
· It was recognized for its continued support in areas such as barrier-free film production and creative support for disabled artists at the Seoul Disability Arts Creation Center.





Sharing Management

Key Activities Supporting Vulnerable Groups at Home and Abroad

Overseas Child Sponsorship Program

- Hyosung employees voluntarily participated in a salary-sharing program to sponsor children in Vietnam. The company matched employee donations through a matching-grant scheme.
- The donations from both the company and employees were used to support the sponsored children and improve conditions in the regions where they live.

Employee Salary Sharing	+	Hyosung Matching Grant
Child Support Sponsorship		Community Improvement Support
· Education, clean water and sanitation, improvement of living conditions, livelihood support		· Library constructions, water system improvements, awareness-raising for sponsored children



Interview – Principal of Mang Den Boarding Secondary School

"Thanks to Korea's Hyosung Group, our students now have access to a good library, dormitories, and clean water. We are truly grateful."

Winter Heating Support for Elderly Households in Korea

- Hyosung Corporation provided heating oil support for elderly households and other vulnerable groups in Gunbuk-myeon, Haman-gun, to help protect their health and well-being during the winter season.
- The company coordinated with welfare officials at the Gunbuk-myeon office to select recipients and conducted a satisfaction survey following the support.

Support for Employment of Career-Interrupted Women



- To promote the financial independence and personal growth of women in vulnerable groups, Hyosung has supported vocational training at the Jongno Women Resources Development Center since 2013.
- In 2024, the company supported a caregiver course, responding to the high demand for caregiving jobs due to an aging population. It also supported an accounting course, in response to increasing demand for office accounting professionals due to digitization.

Key Activities Supporting Culture and the Arts

Employee Participation in Cultural Heritage Preservation



- As part of cultural heritage protection activities, Hyosung employees participated in environmental cleanup at Deoksugung Palace.

Interview – Kim Ji-Il, Hyosung Volunteer

"I used to occasionally visit Deoksugung Palace, but participating in volunteer work there as a member of Hyosung deepened my appreciation and affection for this cultural heritage site."

Sponsorship of the Korea-Japan Festival

As part of its cultural and arts sponsorship activities, Hyosung Corporation sponsored the Korea-Japan Festival. This is the largest cultural exchange event between Korea and Japan. In September 2024, it was held at COEX, attracting 65,000 visitors.

Key Activities Honoring National Veterans

Sponsorship for "Homes for Patriots" Project

- Since 2012, Hyosung Corporation has sponsored the "Homes for Patriots" project, which improves the living conditions of veterans in financial difficulty and provides rental support for homeless war veterans.
- In 2024, Hyosung participated in the construction or renovation of homes for 13 households and supported rental housing costs for 100 veteran households who are basic livelihood recipients or near-poverty level.



Employee Cleanup Activities at the National Seoul Cemetery – "One Company, One Grave Site" Program

- Since 2014, Hyosung Corporation has maintained a sisterhood agreement with the National Seoul Cemetery under the "One Company, One Grave Site" program and has conducted employee-led cleanup activities at the site twice a year.
- Grave Site No. 9, assigned to Hyosung, is the final resting place of 627 fallen soldiers and police officers who died in the line of duty. Employees honor their sacrifice by planting national flags, laying flowers, and cleaning the tombstones.



Performance Data

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Hyosung Corporation's Governance and Economic Performance

Reporting Scope

This report's performance data includes subsidiaries that account for over 99% of Hyosung Corporation's consolidated revenue. The data for Hyosung Corporation and its subsidiaries is presented separately. Some items may exclude data from certain subsidiaries; in such cases, footnotes provide the reason for the exclusion.

Subsidiaries	Country of Operation
Hyosung TNS Inc.	Korea
Nautilus Hyosung America Inc.	USA
Hyosung Financial System Vina Co., Ltd.	Vietnam
Hyosung GoodSprings, Inc.	Korea
Forza Motors Korea Corp.	Korea
HYOSUNG TNS RUS L.L.C.	Russia
Hyosung Financial System (Huizhou) Co., Ltd.	China

Subsidiaries	Country of Operation
Hyosung Solutions S. de R.L. de C.V.	Mexico
NH Tech Co., Ltd.	Korea
NH CMS Co., Ltd.	Korea
Hyosung FMS Inc.	Korea
Gongdeok Gyeongwoo Development Corporation	Korea
Hana Alternative Investmentlandchip 39th Real Estate Investment Trust Co., Ltd.	Korea
Atmplus Inc.	Korea

* Hyosung Corporation was spun off into HS HYOSUNG Corporation, excluding Hyosung USA Inc., Hyosung Holdings USA Inc., and GST Safety Textiles Mexico S. de R.L. from its subsidiaries. Although it was not subject to the spin-off, Hyosung RUS was also excluded from the list of major subsidiaries.

Data Reporting Notes

1. If the data is irrelevant or cannot be applied, it is marked as "N/A." If the data is not available or insufficient, it is marked as "-." Other special cases are noted separately below the respective items.
2. Figures are rounded, so there may be slight differences between the actual sum of the individual figures and the totals listed.
3. Hyosung Corporation underwent a spin-off on July 1, 2024, resulting in the creation of two entities: Hyosung Corporation, the surviving entity, which manages investments and equity in its subsidiaries, and HS HYOSUNG Corporation, the newly established company focused on logistics operations, including managing the spun-off subsidiaries and international freight forwarding. As a result, data related to the spun-off company has been excluded from the 2024 environmental and social data, which has led to year-over-year changes.

Summary of Consolidated Financial Information[1]

Unit: KRW million

Balance Sheet	2022	2023	2024
Current assets	2,060,066	1,766,631	1,021,710
Non-current assets	3,207,219	3,322,227	3,319,154
Total assets	**5,267,285**	**5,088,858**	**4,340,864**
Current liabilities	1,811,857	1,708,893	1,351,828
Non-current liabilities	558,123	603,733	484,598
Total liabilities	**2,369,980**	**2,312,626**	**1,836,426**
Total equities	**2,897,305**	**2,776,232**	**2,504,439**
Comprehensive Income Statement	2022	2023	2024
Revenue (Sales)	3,719,326	3,436,688	2,272,756
Operating profit	64,887	94,367	221,133
Net profit	24,807	(438)	484,258

1. Due to the spin-off, the revenue (sales) and operating profit figures for 2022 and 2023 have been adjusted. However, in line with the nature of the sustainability report, which reflects the company's business activities, the pre-spin-off revenue and operating profit figures are reported. The financial information for 2022 and 2023 reflecting the spin-off can be found in the business report.

Corporate Income Tax by Country[2]

Category		Unit	2022	2023	2024
Korea	Sales	KRW million	3,061,616	1,861,042	2,054,201
	Profit before tax	KRW million	35,172	50,905	485,275
	Corporate tax expense	KRW million	(1,856)	29,941	6,537
	Tax rate	%	23.2	23.1	23.1
	Effective tax rate	%	N/A	58.8	1.3
USA	Sales	KRW million	1,876,847	1,758,565	1,136,513
	Profit before tax	KRW million	7,509	(45,533)	32,171
	Corporate tax expense	KRW million	(256)	(13,191)	7,551
	Tax rate	%	22.00~24.00	22.00~24.00	22.00~24.00
	Effective tax rate	%	N/A	N/A	23.5
Mexico	Sales	KRW million	54,631	102,519	110,339
	Profit before tax	KRW million	1,502	7,565	258
	Corporate tax expense	KRW million	588	2,212	560
	Tax rate	%	30.0	30.0	30.0
	Effective tax rate	%	39.1	29.2	217.1
Brazil	Sales	KRW million	43	21	0
	Profit before tax	KRW million	(13)	(38)	(48)
	Corporate tax expense	KRW million	1	0	2
	Tax rate	%	34.0	34.0	34.0
	Effective tax rate	%	N/A	N/A	N/A
China	Sales	KRW million	210,876	71,722	109,812
	Profit before tax	KRW million	1,192	2,425	3,392
	Corporate tax expense	KRW million	602	473	846
	Tax rate	%	21.0	25.0	25.0
	Effective tax rate	%	50.5	19.5	24.9
Russia	Sales	KRW million	294,291	180,733	271,465
	Profit before tax	KRW million	(3,738)	743	7,556
	Corporate tax expense	KRW million	(484)	936	1,176
	Tax rate	%	20.0	20.0	25.0
	Effective tax rate	%	N/A	126.0	15.6
Vietnam	Sales	KRW million	112,377	269,824	536,437
	Profit before tax	KRW million	(8,948)	(5,801)	17,081
	Corporate tax expense	KRW million	0	49	600
	Tax rate	%	21.0	20.0	20.0
	Effective tax rate	%	N/A	N/A	3.5
Germany (Established in December 2024)	Hyosung TNS Europe GmbH was established in December 2024 and is therefore excluded from the 2024 reporting scope.				

2. There may be some discrepancies from the consolidated financial statements due to inter-company transactions and unrealized gains or losses among consolidated entities. If a pre-tax loss occurred and the effective tax rate could not be calculated, it is marked as "N/A."

Hyosung Corporation's Governance and Economic Performance

Compliance with Ethics and Laws

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023[2]	2024
Employee discrimination	Total number of discrimination incidents	Case	0	0	0	1	1	0
	Reviewed incidents of discrimination	Case	0	0	0	1	2	0
Corruption	Number of reported incidents of corruption	Case	0	1	0	5	2	0
	Number of people dismissed or disciplined for corruption	Person	0	3	0	1	10	0
Unfair transaction	Number of unfair transaction practices	Case	1	0	0	0	0	0
	Fine for unfair transaction practices	KRW million	200	0	0	0	0	0
Non-compliance with laws and regulations	Cases of fines-imposed	Case	3	2	2	3[3]	8[4]	0
	Cases with non-monetary sanctions	Case	0	0	1	0	0	0
	Number of employees with records of investment-related investigations, customer complaints, lawsuits, or legal sanctions	Person	0	0	0	1	0	0
	Number of violations of legal and voluntary regulations regarding product and service information and labeling	Case	0	0	0	0	0	0
	Number of violations of legal and voluntary regulations regarding health and safety impact of products and services	Case	0	0	0	0	0	0
	Number of violations of legal and voluntary regulations regarding marketing communication such as advertising, promotion, and sponsorship	Case	0	0	0	0	0	0
	Total amount of fines	KRW million	225	13	7	814[3]	168[4]	0
	Fines for violations of financial regulations, including insider trading, monopoly, and anticompetitive behaviors	KRW million	200	0	0	739[3]	0	0
	Fines for violation of environmental regulations	KRW million	0	0	0	0	18	0
Percentage of employees that have received notification and training on anti-corruption policies and procedure		%	82.6	63.0	72.1	42.0	85.1	59.1
Number of the Board of Directors (governance body) members that have received notification and training on anti-corruption policies and procedures		Person	0	0	0	-	-	-
Percentage of Board of Directors (governance body) members that have received notification and training on anti-corruption policies and procedures		%	0	0	0	-	-	-
Total number of operations assessed for risks related to corruption[1]		Operation	-	5	5	-	73	65
Percentage of operations assessed for risks related to corruption[1]		%	-	100	100	-	79.3	78.3

Association Membership

Category	Association Names
Hyosung	Korea Management Association
	Korea-America Association
	Korea-Japan Economic Association
	Korea-US Economic Council
	Federation of Korean Industries
	Korea Enterprises Federation
	Korea H2 Business Summit
Hyosung Corporation	Korea Chamber of Commerce and Industry
	Korea International Trade Association
	The Seoul Forum for International Affairs
	Seto Forum
	The Owners Forum
	Korea IR Service
	Korea Listed Companies Association
	Korea Association for Chef Financial Officers
	Federation of Korea Human Resource Development Representatives
	Korea Personnel Management Association
	HRD Forum
	Korea Association for Industrial Technology Security
	The Korean Institute of Electrical Engineers
	CIGRE (International Council on Large Electric Systems)
	Korea Industrial Technology Association
	The Korean Fiber Society
	The Polymer Society of Korea
	Korea Intellectual Property Association
	Carbon Convergence Industry Research Association
	The Korean Institute of Power Electronics
	Korea Industrial Safety Association
	Anyang Crime Victim Support Center
	Korea Fire Safety Institute
	Gyeonggi-do Environmental Engineers Association
	Korea Electrical Engineers Association
	Seoul Southern Immigration Office Social Integration Committee

1. The number and percentage of operations assessed for risks related to corruption have been tabulated since 2023.
2. In 2023, the number of employees at Forza Motors Korea Corp. who received notifications and training on anti-corruption policies and procedures was initially omitted and has now been reflected. Accordingly, the percentage of employees who received such notifications and training has been corrected.
3. Due to the omission of subsidiary data, the 2022 data has been corrected (Forza Motors Korea Corp., Hyosung GoodSprings, Inc.).
4. Due to the omission of subsidiary data, the 2023 data has been corrected (Forza Motors Korea Corp., Hyosung GoodSprings, Inc.).

Hyosung Corporation's Social Performance

Employees[1]

Category			Unit	Hyosung Corporation			Total Subsidiaries		
				2022	2023	2024	2022[4]	2023[4]	2024
Total number of employees (Permanent+Temporary)			Person	655	656	580	4,262	4,201	4,120
Gender	Permanent employees	Male	Person	468	464	424	2,907	2,780	2,733
		Female	Person	137	142	118	638	507	452
		Subtotal	Person	605	606	542	3,545	3,287	3,185
	Temporary employees	Male	Person	28	26	31	492	678	671
		Female	Person	22	24	7	225	236	264
		Subtotal	Person	50	50	38	717	914	935
Age	Permanent employees	Under 30	Person	69	84	62	569	386	536
		30–50	Person	403	384	355	2,445	2,204	2,101
		51 and above	Person	133	138	125	531	697	548
	Temporary employees	Under 30	Person	22	25	11	469	546	521
		30–50	Person	6	3	5	193	320	346
		51 and above	Person	22	22	22	55	48	68
By employee category	By employee category (permanent employees)	Office	Person	550	551	487	2,004	1,991	1,972
		Technical	Person	55	55	55	1,541	1,296	1,213
		Executive	Person	45	47	43	53	51	40
	Permanent employees	Manager level or higher	Person	305	285	270	1,185	1,173	1,161
		Non-manager level	Person	255	274	229	2,307	2,063	1,984
		Executive	Person	0	0	0	0	0	0
	Temporary employees	Manager level or higher	Person	3	3	0	27	19	15
		Non-manager level	Person	47	47	38	690	895	920
Employee diversity[2]	Gender diversity on the Board of Directors	Male	Person	8	8	7	40	42	33
		Female	Person	1	1	1	1	2	1
		Subtotal	Person	9	9	8	41	44	34
	Age diversity on the Board of Directors	Under 30	Person	0	0	0	0	0	0
		30–50	Person	0	0	0	9	6	5
		51 and above	Person	9	9	8	32	38	29
	Employee diversity	Employees with disability	Person	16	16	14	71	62	59
		Veterans	Person	3	4	2	64	72	66
		Foreigner	Person	3	3	3	41	40	33
		Subtotal	Person	22	23	19	176	174	158
	Fostering female talent	Female employee ratio	%	24.3	25.3	21.6	20.2	17.7	17.4
		Number of female at manager level (or higher)	Person	65	61	50	155	137	157
		Number of male at manager level (or higher)	Person	288	274	263	972	1,021	1,068
		Proportion of female at manager level (or higher)	%	18.4	18.2	16.0	13.8	11.8	12.8
Workers who are not employees[3]	Gender	Male	Person	154	167	170	143	228	220
		Female	Person	32	32	31	50	78	57
		Subtotal	Person	186	199	201	193	306	277
Percentage of local senior managers with the local nationality working on site			%	99.1	99.1	97.0	82.6	66.8	85.3

1. Data as of December 31, 2024. "Manager" refers to positions of PM/Manager or higher. "Senior Manager" refers to team leaders, department heads, supervisors, or higher.
2. Hyosung corporation diversity targets: 14 persons with disabilities and 128 women by 2025 / 16 persons with disabilities and 131 women by 2026
3. Workers who are not employees: These are dispatched, subcontracted, and service personnel working at our business sites but not officially affiliated with the company according to the business report. Due to counting errors, the number of workers who are not employees in 2022 and 2023 has been revised.
4. Due to a compilation error, the following data for subsidiaries in 2022 and 2023 have been corrected: total number of employees, number of temporary employees by gender, number of permanent employees by gender and age, number of permanent employees by employee category, fostering female talent, number of workers who are not employees, and the percentage of local senior managers with the local nationality working on site.

New Employee Hires

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023[5]	2024
New hires (Permanent + Temporary)	New hires	Person	46	66	55	745	913	1,205
	Experienced new hires	Person	32	22	31	444	528	431
	Transfers from affiliated companies	Person	34	17	28	9	11	9
	Subtotal	Person	112	105	114	1,198	1,452	1,645
New hires by gender	Male	Person	81	70	76	875	1,165	1,169
	Female	Person	31	35	38	323	287	476
	Subtotal	Person	112	105	114	1,198	1,452	1,645
New hire rate by gender	Male	%	72.3	66.7	66.7	73.0	80.2	71.1
	Female	%	27.7	33.3	33.3	27.0	19.8	28.9
New hires by age	Under 30	Person	54	64	47	666	823	916
	30–50	Person	40	28	54	470	536	602
	51 and above	Person	18	13	13	62	93	127
New hire rate by age	Under 30	%	48.2	61.0	41.2	55.6	56.7	55.7
	30–50	%	35.7	26.7	47.4	39.2	36.9	36.6
	51 and above	%	16.1	12.4	11.4	5.2	6.4	7.7

5. A compilation error was found and the number of subsidiary employees in 2023 has been revised.

Employee Turnover

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023[8]	2024
Turnovers	Voluntary turnover	Person	60	54	35	729	936	1,087
	Transfers to affiliated company[6]	Person	45	22	138	5	4	8
	Involuntary turnover[7]	Person	20	28	17	385	645	335
	Subtotal	Person	125	104	190	1,119	1,585	1,430
Turnover rate	Voluntary turnover rate	%	9.2	8.2	6.0	17.1	22.3	26.4
	Total turnover rate	%	19.1	15.9	32.8	26.3	37.7	34.7
Turnovers by gender	Male	Person	95[9]	77	110	872	985	1,119
	Female	Person	30	27	80	247	600[10]	311
	Subtotal	Person	125	104	190	1,119	1,585	1,430
Turnover rate by gender	Male	%	14.5	11.7	19.0	20.5	23.4	27.2
	Female	%	4.6	4.1	13.8	5.8	14.3[10]	7.5
Turnovers by age	Under 30	Person	24	27	67	545	893	808
	30–50	Person	65	52	85	517	530	486
	51 and above	Person	36	25	38	57	162	136
	Subtotal	Person	125	104	190	1,119	1,585	1,430
Turnover rate by age	Under 30	%	3.7	4.1	11.6	12.8	21.3	19.6
	30–50	%	9.9	7.9	14.7	12.1	12.6	11.8
	51 and above	%	5.5	3.8	6.6	1.3	3.9	3.3

6. As of July 1, 2024, Hyosung Corporation's number of employees transferred to affiliates includes those transferred to HS HYOSUNG Corporation due to a personnel-related spin-off.
7. Involuntary turnover includes: Voluntary resignation upon recommendation, dismissal, death, etc.
8. A compilation error was found and the number of subsidiary employees in 2023 has been revised.
9. A correction was made to the number of male employee departures at Hyosung Corporation for 2022 due to a clerical error.
10. In addition, the number of female employee departures and the turnover rate for subsidiaries in 2023 were corrected due to a calculation error.

Hyosung Corporation's Social Performance

Employee Salary and Compensation

Category		Unit	Hyosung Corporation			Total Subsidiaries	
			2022	2023	2024	2023	2024
Average total annual compensation for entry-level employees[2]	Male	KRW million	45	48	42	41	44
	Female	KRW million	37	40	39	33	37
	Total	KRW million	42	44	41	39	44
Local annual average legal minimum wage		KRW million	23	24	25	18	19
Ratio of wages for new hires compared to the local legal minimum wage[2]	Male	%	197.8	199.7	169.6	234.9	231.7
	Female	%	161.6	164.7	159.7	186.0	197.0
Average total compensation by employee category[3]	Male executive	KRW million	634	616	525	183	184
	Male at manager level (or higher)	KRW million	94	101	101	79	80
	Male at non-manager level	KRW million	58	59	60	38	41
	Female executive	KRW million	206	253	194	374	288
	Female at manager level (or higher)	KRW million	83	93	94	66	67
	Female at non-manager level	KRW million	42	46	48	34	37
Ratio of total compensation for female to male[3]	Executive	%	32.6	41.0	37.0	204.7	156.4
	Manager level or higher	%	87.6	92.1	93.0	83.4	83.7
	Non-manager level	%	73.2	77.7	80.4	89.1	90.3
Average total annual compensation of all employees		KRW million	117	120	115	- [4]	- [4]
Highest-paid individual	Total compensation	KRW million	7,241	6,841	9,183[5]	232	275
	Year-on-year increase in total compensation[1]	%	-2.5	-5.5	34.2	-12.2	16.9
Employees (excluding highest-paid individual)	Average total annual compensation	KRW million	105	109	109	57	53
	Annual total compensation median	KRW million	77	82	82	52	49
	Year-on-year increase in median total annual compensation[1]	%	-5.3	5.7	0.6	11.4	2.8
Ratio of the total annual compensation for the organization's highest-paid individual to the median total annual compensation for all employees (excluding highest compensation recipient)		Time	93.6	83.6	111.6	4.5	5.6

1. Changes were made to the year-on-year increase rates for the highest-paid individual and year-on-year increase in median total annual compensation for employees excluding the highest paid for 2022 and 2023 due to calculation errors.
2. In the average total annual compensation for entry-level employees for 2022 and 2023, compensation for experienced entry-level employees was excluded. Accordingly, the ratio of wages for new hires by gender compared to the local legal minimum wage was corrected.The average annual total compensation of subsidiaries is a weighted average; the 2023 arithmetic mean was corrected to reflect a weighted average.
3. For subsidiaries, compensation by employee category was calculated by summing male and female total compensation by corporation (excluding corporations with no female employees). Calculation errors were identified and corrected in the compensation ratio by employee category for 2022 and 2023.
4. Some data from subsidiaries were omitted due to missing or erroneous information and thus excluded from calculation.
5. The highest-paid individual is based on employees on staff at the end of December; due to the corporate split in 2024, it differs from the annual payment standard reported in the business report (which includes retirees).

Minimum Notice Periods Regarding Operational Changes

If there is a legal standard such as a notice of dismissal, it is notified in advance in accordance with the stipulated timeframes.

Maternity Leave and Parental Leave

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023	2024
Maternity leave (Male)	Number of employees on maternity leave	Person	16	5	7	71	72	88
	Return rate after maternity leave	%	100	100	100	100.0	100.0	55.6
Maternity leave (Female)	Number of employees on maternity leave	Person	7	3	8	43	35	31
	Return rate after maternity leave	%	100	100	100	97.7	93.9	64.6
Parental leave (Male)	Number of employees entitled to parental leave	Person	163	122	102	1,662	1,499[8]	1,415
	Number of employees on parental leave	Person	2	2	2	54	30	22
	Number of employees returning to work after parental leave	Person	1	2	1	49	34	12
	Number of employees with over 12 months of service after parental leave[6]	Person	1	1 [7]	1	42	25	31
	Return rate after parental leave[7]	%	50.0	100.0	50.0	94.2	88.2	54.5
	Ratio of employees retained 12 months after returning to work in the previous reporting period following a period of parental leave[6]	%	33.3	100.0	50.0	85.7	51.0	91.2
Parental leave (Female)	Number of employees entitled to parental leave	Person	34	38	21	1,072	947[8]	973
	Number of employees on parental leave	Person	7[9]	6[9]	5	38	25	17
	Number of employees returning to work after parental leave	Person	4[9]	6[9]	5	36	16	16
	Number of employees with over 12 months of service after parental leave[6]	Person	6	4	3	35	16	9
	Return rate after parental leave[7]	%	57.1	100.0	100.0	94.7	64.0	94.1
	Ratio of employees retained 12 months after returning to work in the previous reporting period following a period of parental leave[6]	%	66.7	100.0	50.0	97.2	44.4	56.3

6. The number of employees with over 12 months of service after returning from parental leave excludes those who left due to group separation or transfer to affiliates, so it is lower than the actual number of employees who continued working after parental leave.
7. Corrections were made to the return rates after parental leave for Hyosung Corporation and subsidiaries for 2022 and 2023 due to calculation errors.
8. Adjustments were made to the number of employees entitled to parental leave (both male and female) for subsidiaries in 2023 due to changes in employee counts.
9. Missing data for female parental leave users and returnees for 2022 and 2023 were identified and corrected.

Labor Union and Retirement Pension

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023	2024
Labor Union	Number of employees covered by collective bargaining agreements[10]	Person	46	45	48	1,578	1,418	1,197
	Ratio of employees covered by collective bargaining agreements among total employees	%	7.0	6.9	8.3	37.0	33.8[11]	29.1
	Number of union members	Person	36	35	38	1,475	1,298	1,163
	Rate of union enrollment	%	78.3	77.8	79.2	93.5	91.5	97.2
Retirement pension	Total operation fund for retirement pensions (DB + DC)	KRW million	101,248	102,262	86,131	120,410	122,907	117,572
	Operation fund for DB pension	KRW million	100,405	101,484	85,283	116,368	120,156	115,666
	Operation fund for DC pension	KRW million	843	778	848	4,042	2,752	1,907
	Total number of members	Person	670	672	575	1,906	1,971	1,838
	Number of DB pension members	Person	597	590	488	1,681	1,727	1,597
	Number of DC pension members	Person	73	82	87	225	244	241

10. The collective bargaining agreements at Hyosung Corporation applies to Grade 5 production workers.
11. Adjustments were made to the percentage of employees covered by collective agreements for subsidiaries in 2023 due to changes in total number of employees.

Hyosung Corporation's Social Performance

Employee Training[1]

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023[3]	2024
Training participants (cumulative by program)		Person	13,368	9,755	8,426	32,557	76,301	73,871
Total training expenses		KRW million	286	283	315	1,705	1,826	1,576
Total training hours		Hour	36,704	31,188	27,504	180,041	212,421	191,639
Average training hours per employee (Total training hours/Number of employees)		Hour	56	48	47	42	51	47
Average training expenses per employee (Total training expense/Number of employees)		KRW thousand	437	432	543	400	435	383
Total training hours per employee by gender[2]	Male	Hour	-	48	43	-	53	48
	Female	Hour	-	47	62	-	39	40
Average training hours per employee by employee category[2]	Executive	Hour	-	14	24	-	152	118
	Manager level or higher	Hour	-	56	52	-	89	77
	Non-manager level	Hour	-	45	46	-	33	33
Number of participants in environmental training		Person	539	458	479	1,298	3,040	2,175
Number of participants in ethics and anti-corruption training		Person	541	413	418	1,789	3,573	2,434
Number of participants in fair trade training		Person	589	479	418	1,409	2,812	1,587
Number of participants in safety and health training		Person	4,486	2,141	1,237	7,848	8,929	7,429
Number of participants in human rights training (e.g., sexual harassment prevention, disability awareness, discrimination prevention, etc.)		Person	2,485	2,349	2,037	7,063	7,576	9,421
Number of participants in information security training		Person	688	663	970	2,226	11,706	12,675
Number of participants in sustainability management training		Person	841	509	442	2,660	3,194	3,797
Number of participants in retirement training		Person	0	0	0	525	538	426

1. The aggregation criteria include new employee training, general/professional job training, leadership training, globalization training, and sustainability training for all employees (permanent and temporary). The number of trainees is based on the cumulative number of participants per training program.
2. The average training hours per employee by gender and employee category have been recorded starting in 2023.
3. Missing data in the 2023 figures for total number of training participants (cumulative per training), ethics and anti-corruption training participants, and fair trade training participants have been identified and corrected. Due to the establishment and full-scale operation of the Hyosung Financial System Vina Co., Ltd.'s Vina plant, the number of training participants increased significantly in 2023.

Regular Performance Evaluation and Career Development Reviews

Category		Unit	Hyosung Corporation			Total Subsidiaries	
			2022	2023	2024	2023[4]	2024
Number of employees subject to performance evaluation		Person	605	606	542	3,077	3,159
Performance evaluation rate		%	92.4	92.4	93.4	73.2	76.7
Performance evaluation and career development review rate by gender	Male	%	94.4	94.7	93.2	80.4	80.3
	Female	%	86.2	85.5	94.4	68.2	63.1
Performance evaluation and career development review rate by employee category	Executive	%	100.0	100.0	100.0	100.0	100.0
	Manager level or higher	%	99.0	99.0	100.0	98.4	98.7
	Non-manager level	%	84.4	85.4	85.8	69.7	68.3

4. Due to compilation errors, the number of employees subject to performance evaluation, the evaluation rate, the evaluation rate for females, and the evaluation rate for non-managerial level in 2023 have been corrected.

Suppliers

Category	Unit	Hyosung Corporation			Total Subsidiaries	
		2022	2023	2024	2023[8]	2024
Number of suppliers	Supplier	408	404	417	320	332
Total purchase from suppliers	KRW million	56,952	59,783	60,389	503,306	522,135
Total purchase from local suppliers[5]	KRW million	42,429	37,081	35,834	298,446	208,749
Proportion of purchase from local suppliers	%	74.5	62.0	59.3	59.3	40.0
Number of key suppliers[6]	Supplier	25	29	26	93	219
Total purchase from key suppliers[6]	KRW million	48,245	49,756	49,189	324,057	534,915
Total purchase from key local suppliers[6]	KRW million	35,058	30,365	28,202	141,558	228,072
Proportion of purchase from key local suppliers[6]	%	73.8	60.5	57.8	43.7	42.6
Percentage of key suppliers that committed to the Supplier Code of Conduct[6]	%	56.0	48.3	53.8	100	47.5
Proportion of key suppliers under contracts with ESG clauses[6,7]	%	N/A	N/A	N/A	N/A	N/A

5. Total purchase from local suppliers: It refers to the total purchase with suppliers located in the same country as the business site, excluding imported goods.
6. Starting in 2024, information related to key suppliers is disclosed. Hyosung Corporation defines major suppliers as those supplying raw materials and subcontracted services directly related to product manufacturing, comprising the top 95% of transaction amounts. For subsidiaries, criteria are established separately based on each manufacturing entity's circumstances.
7. Hyosung Corporation has had no new suppliers over the past three years. Accordingly, the proportion of suppliers under contracts with ESG clauses for the years 2022–2024 cannot be calculated and is reported as "N/A."
8. Figures for 2023 have been revised to exclude subsidiaries that are not manufacturing entities from the aggregation.

Social and Environmental Impact Assessment of the Supply Chain[9]

Category	Unit	Hyosung Corporation			Total Subsidiaries[11]	
		2022	2023	2024	2023[12]	2024
Number of new suppliers that underwent social/environmental impact assessments	Supplier	0	0	0	7	13
Percentage of new suppliers that underwent social/environmental impact assessments[10]	%	N/A	N/A	N/A	13.5	26.0
Number of key suppliers that underwent social/environmental impact assessments	Supplier	18	18	18	24	1
Percentage of key suppliers that underwent social/environmental impact assessments	%	72.0	62.1	69.2	25.8	0.5
Number of key suppliers that underwent on-site due diligence	Supplier	3	3	3	0	0
Percentage of key suppliers that underwent on-site due diligence	%	12.0	10.3	11.5	0	0
Number of suppliers having practical or/and potential negative social/environmental impacts	Supplier	0	0	0	0	0
Percentage of suppliers that agreed improvement based on the results of social/environmental impact assessments[10]	%	N/A	N/A	N/A	N/A	N/A
Percentage of suppliers whose contracts were terminated based on the results of social/environmental impact assessments	%	N/A	N/A	N/A	N/A	N/A

9. Subsidiaries have been aggregating social and environmental impact assessment data for the supply chain starting in 2023.
10. The calculation formula for the percentage of new suppliers that conducted social/environmental impact assessments is: (Number of new suppliers assessed and contracted during the reporting period ÷ Total number of new suppliers contracted during the reporting period) × 100. If there are no new suppliers or no suppliers assessed, making the denominator zero, the percentage cannot be calculated and is therefore reported as "N/A."
11. Starting in 2024, data on social and environmental impact assessments of major suppliers by subsidiaries will be disclosed.
12. The number of key suppliers assessed for social/environmental impact in 2023 by Hyosung GoodSprings, Inc. was omitted and has now been corrected.

Hyosung Corporation's Social Performance

Occupational Health and Safety Management System

Category	Unit	Hyosung Corporation		Total Subsidiaries	
		2023	2024	2023[1]	2024
Total workers (employees + workers who are not employees)	Person	855	781	5,446	4,402
Number of workers working at business sites where the company's health and safety management system are operational	Person	855	781	5,378	4,393
	%	100	100	98.8	99.8
Number of workers working within the systems that undergo regular/irregular audits (or monitoring) of the company's health and safety management system	Person	855	781	5,160	4,393
	%	100	100	95.9	100.0
Number of workers working at business sites subject to customer audits or audits for external certification[2]	Person	241	250	4,368	3,565
	%	28.2	32.0	81.2	81.2

1. There was an error in compilation, so the number of non-employee workers in 2023 was revised. Accordingly, the total number of employees + non-employee workers was also revised.
2. In 2023, the business sites of Hyosung Corporation managed under systems audited by customers or certified entities were corrected based on the business sites with ISO 45001 certification, as reflected in the business report.

Occupational Injuries and Ill-Health

Category		Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022[8]	2023[9]	2024
Employees	Number of work-related injuries and ill health	Person	3[6]	0	1[7]	9	60	64[10]
	Rate of work-related injuries and ill health[3]	%	0.5	0	0.2	0.2	1.4	1.5
	Number of fatalities as a results of work-related injuries	Person	0	0	0	0	0	0
	Work-related fatality rate per ten thousand workers[4]	%	0	0	0	0	0	0
	Number of cases of work-related injuries and ill health	Case	3	0	1	9	60	63
	Lost Time Injury Frequency Rate (LTIFR)[5]	Cases per million hours	2.2	0	0.8	1.0	6.8	7.3
Workers who are not employees but whose work and/or workplace is controlled by the organization	Number of work-related injuries and ill health	Person	0	0	1[7]	3	0	0
	Rate of work-related injuries and ill health[3]	%	0	0	0.5	1.9	0	0
	Number of fatalities as a results of work-related injuries	Person	0	0	0	0	0	0
	Work-related fatality rate per ten thousand workers[4]	%	0	0	0	0	0	0
	Number of cases of work-related injuries and ill health	Case	0	0	1	3	0	0
	Lost Time Injury Frequency Rate (LTIFR)[5]	Cases per million hours	0	0	2.4	9.2	0	0

3. Rate of work-related injuries and ill health: Number of work-related injuries and ill health ÷ Number of workers × 100
4. Work-related fatality rate per ten thousand workers: Number of fatalities ÷ Number of workers × 10,000
5. Lost Time Injury Frequency Rate (LTIFR): Number of cases of work-related injuries and ill health ÷ Total working hours × 1,000,000
6. In the 2023 report, Hyosung Corporation disclosed the number of work-related injuries and ill health in 2022 as two. However, due to the approval of one occupational disease (noise-induced hearing loss) case from a former employee, this number has been revised to three.
7. In 2024, all occupational injuries at Hyosung Corporation were work-related fractures, and there were no work-related ill health.
8. The 2022 data for subsidiaries excludes Nautilus Hyosung America Inc. and includes one previously omitted work-related injury or ill health for employees of Hyosung GoodSprings, Inc. A decrease in the number of non-employee workers led to an increase in both the rate of work-related injuries and ill health and LTIFR.
9. The 2023 subsidiary data reflects one previously omitted work-related injury or ill health for employees of Hyosung GoodSprings, Inc.
10. In 2024, the most common work-related ill health among subsidiaries was musculoskeletal disorders.

Business Partners' Dissatisfaction / Safety- and Health-Related Grievance Mechanism

Category	Unit	Hyosung Corporation		
		2022	2023	2024
Number of dissatisfaction cases received from business partner	Case	44	100	56
Number of dissatisfaction cases processed from business partner	Case	44	100	56
Ratio of cases processed	%	100	100	100

Safety and Quality Certification

Company	Business Site	PU/Business Division	Safety and Health Certification	Quality Certification
Hyosung Corporation	Headquarters	Interior	-	ISO 9001
	Anyang	Interior	ISO 45001	ISO 9001 IATF 16949
Hyosung GoodSprings, Inc.	Headquarters	Industrial pumps	ISO 45001	ISO 9001 ISO 19443
	Changwon	Industrial pumps	ISO 45001	ISO 9001 ISO 19443
Hyosung TNS Inc.	Headquarters	IT	ISO 45001	ISO 9001
Hyosung Financial System Vina Co., Ltd.	Vina	IT	ISO 45001	ISO 9001

Social Contribution

Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023[12]	2024
Social contribution investment	KRW million	430	692	220	361	269	213
Number of social contribution programs	Program	26	33	26	32	29	27
Number of participating employees	Person	309	348	629	5,421	5,342	6,043
Total volunteer hours	Hour	159	267	193	377	137	134
Amount of social value generated[11]	KRW million	-	895	1,202	57	52	4

11. The amount of social value generated by Hyosung Corporation is calculated based on internal standards, such as the cost of benefits received by beneficiaries of programs like the Friends of Love English Education Support Project for local children's centers. This is measured by estimating the utility gained by the beneficiaries—for example: (average private English education expense per person per month × number of beneficiaries × duration of support).
12. The social contribution investments and number of social contribution programs carried out by Hyosung FMS Inc. in 2023 were previously omitted and have been corrected.

Customer Privacy Protection and Infringement of Local Community Rights

Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023	2024
Breaches of customer privacy	Case	0	0	0	0	0	0
Identified leaks, thefts, or losses of customer data	Case	0	0	0	0	0	0
Incidents of violations involving the rights of indigenous people	Case	0	0	0	0	0	0

Products and Services Subject to Labeling and Safety/Health Evaluations

Category	Unit	Hyosung Corporation & Subsidiaries		
		2022	2023	2024
Percentage of major products/services that have undergone evaluations related to information disclosure and labeling procedures	%	100	100	100
Percentage of major products/services that have undergone evaluations for health and safety impacts	%	100	100	100

Hyosung Corporation's Environmental Performance

* Greenhouse gas and energy usage data includes all business sites of Hyosung Corporation, while other environmental data has been aggregated based on locations with sales revenue: the headquarter, Anyang plant, Suseo office, and Transworld (January–June 2024).

Energy Consumption

Category		Unit	Hyosung Corporation				Total Subsidiaries		
			2022	2023	2024		2022	2023	2024
					Planning	Performance			
Direct energy consumption	Diesel	TJ	1.21	1.98	1.83	2.57	8.58	7.05	13.10
	Kerosene	TJ	0.11	0.11	0.11	0.13	0.11	0.15	0.05
	LNG	TJ	179.64	161.72	181.21	160.80	26.25	26.05	26.50
	NG	TJ	0	0	0	0	297.43	312.12	2.40
	Gasoline	TJ	4.35	3.94	3.96	3.13	134.07	149.94	139.83
	Propane	TJ	0.70	0.86	0.86	0.89	0.01	0.01	0
	LPG	TJ	0	0	0	0	3.46	3.83	0.67
	Subtotal	TJ	186.00	168.62	187.96	167.51	469.90	499.13	182.54
Indirect energy consumption	Electricity[1]	TJ	458.67	434.44	471.69	428.19	376.58	369.80	190.78
	Steam	TJ	10.05	9.66	9.66	10.00	0.02	0.42	4.70
	Subtotal	TJ	468.71	444.09	481.34	438.19	376.60	370.22	195.48
Total energy consumption		TJ	654.71	612.71	669.31	605.70	846.50	869.35	378.02
Energy intensity[2] (Total energy consumption/sales)		TJ/KRW 100 million	0.09	0.11	0.16	0.14	0.02	0.02	0.01
Separate sales		KRW 100 million	7,500	5,332	4,181	4,181	36,424	36,663	28,578
Renewable energy consumption	Purchase (PPA / Green Premium / REC)	TJ	0	0	0	0	0	0	0
	Self-generated	TJ	0	0	0	0	0	0	0
	Subtotal	TJ	0	0	0	0	0	0	0

1. Conversion factors for electricity energy consumption: 9.6 TJ/GWh for domestic usage (based on national specific calorific values and emission factors by fuel type), 3.6 TJ/GWh for overseas usage
2. The intensity was calculated based on separate sales.

GHG Emissions[3]

Category		Unit	Hyosung Corporation				Total Subsidiaries		
			2022	2023	2024		2022	2023	2024
					Planning	Performance			
Direct GHG emissions (Scope 1)	Stationary combustion	tCO_2eq	9,152	8,256	9,229	8,219	16,851	17,645	1,493
	Mobile combustion		377	401	382	381	9,900	10,865	10,431
	Waste disposal		0	13	39	39	0	0	0
	Other emissions		0	0	0	0	0.3	0.4	0.2
	Subtotal	tCO_2eq	9,529	8,670	9,650	8,640	26,751	28,510	11,923
Indirect GHG emissions (Scope 2)	Electricity	tCO_2eq	21,950	20,790	22,573	20,491	28,673	28,518	10,805
	Steam		374	346	346	349	1	15	164
	Subtotal	tCO_2eq	22,324	21,136	22,919	20,840	28,674	28,533	10,969
Total GHG emissions[4] (Scope 1 & 2)		tCO_2eq	31,853	29,807	32,569	29,480	55,426	57,042	22,893
GHG emissions intensity[5]	Scope 1	tCO2eq/ KRW 100 million	1.3	1.6	2.3	2.1	0.7	0.8	0.4
	Scope 2		3.0	4.0	5.5	5.0	0.8	0.8	0.4
	Subtotal	tCO2eq/ KRW 100 million	4.2	5.6	7.8	7.1	1.5	1.6	0.8
Separate sales		KRW 100 million	7,500	5,332	4,181	4,181	36,663	36,663	28,578

3. This information submitted for the year is based on the quantities of emission allowances certified for submission under the Greenhouse Gas Emissions Trading System reporting and verification guidelines, and the Ministry of Environment's conformity assessment.
4. Only CO_2, CH_4, and N_2O are emitted as greenhouse gases. The total emission figure shown above may differ from that disclosed in the business report due to rounding of decimals values at each business site.
5. The intensity was calculated based on separate sales. Due to the spin-off of personnel from Hyosung Corporation to HS HYOSUNG Corporation, the 2024 GHG emissions intensity increased.

Hyosung Corporation's Environmental Performance

Expected Amount of Energy Savings and Greenhouse Gas Reduction[1]

Company	Energy Type	Project Name	Implementation Date	Investment (KRW million)	Estimated Energy Savings (kWh/year, Nm³/year)	Estimated Energy Savings (TJ/year)	Estimated GHG Reduction (tCO_2eq/year)
Anyang	Electric power (Scope 2)	Reducing electricity costs by optimizing the operating load of the aeration tank	Jan. 2022	0	78,840	0.76	36
		Maintenance of compressed air moisture discharge devices and leak elimination activities	Mar. 2022	8	69,292	0.67	32
		Replacement of old chilled water pump motor for the chiller	Apr. 2022	13	51,443	0.49	24
		Replacement of old cooling water pump motor for the chiller	Apr. 2022	10	14,525	0.14	7
		20% improvement in compressed air production efficiency(introduction of new air compressor and modification of piping line)	Aug. 2022	350	2,610,480	25.06	1,199
		Reduction of compressed air operating pressure by 0.9 kg/cm²	Aug. 2022	105	761,244	7.31	350
		30% reduction in electricity costs due to increased production from the Introduction of high-speed tufting machines	Nov. 2022	495	105,120	1.01	48
		Reduction in electricity loss through integrated operation of transformers (from 3 to 2 transformers)	Dec. 2022	0	131,400	1.26	60
		Reduction in electricity loss in wires by adjusting the secondary voltage tap of the main transformer (from 3.2kV to 3.4kV)	May 2023	0	61,613	0.59	28
	LNG (Scope 1)	Fuel cost reduction via installation of boiler waste heat recovery device	Jun. 2024	170	73,928	3.19	161
	Electric power (Scope 2)	Replacement of air compressor cooling water pump with a properly sized pump	Mar. 2024	60	345,232	3.31	159
		Restoration of normal operation of 600 HP turbo air compressor	Mar. 2024	55	323,435	3.10	149
		Replacement of chiller chilled water pump with high-efficiency pump	Mar. 2024	60	208,152	2.00	96
		Installation of automatic moisture drainage device in compressed air tank to reduce electricity cost	Apr. 2024	3.8	34,164	0.33	16
		Installation of high-pressure refrigerated air dryer and automatic dew point control system	Jun. 2024	95	170,739	1.64	78
		Installation of low-pressure refrigerated air dryer and automatic dew point control system	Jun. 2024	90	242,424	2.33	111
		Electricity cost reduction through change in raw material conveying method	Nov. 2024	10	44,651	0.43	21

1. The expected amounts of energy savings and greenhouse gas reduction are estimated values based on assumptions including changes in facility capacity, efficiency, and operating hours before and after project implementation.

Air Pollutant Emissions[2]

Category	Detailed Category	Unit	Hyosung Corporation			Total Subsidiaries		
			2022[3]	2023[3]	2024	2022	2023	2024
General air pollutants	Nitrogen Oxides (NOx)	kg	2,643	2,451	2,498	0	0	0
	Sulfur Oxides (SOx)	kg	0	0	0	0	0	0
	Total Hydrocarbons (THC)	kg	487	412	428	3,743	3,233	3,069
	Total Suspended Particles (TSP)	kg	39	331	68	465	241	293
	Zinc and its compounds	kg	0	0	0	2.2	0	0
Hazardous Air Pollutants (HAPs)	Hydrogen Chloride (HCl), etc.	kg	0.34	9.32	4.85	5.92	5.25	0.14
Volatile Organic Compounds (VOCs)	Ethylbenzene, Formaldehyde	kg	0	0	0	4.52	5.21	0.11
Ozone-Depleting Substances (ODS)[4]	CFC(R-11)	kg	0	0	0	0	0	0
	HCFC(R-123)	kg	0	0	0	0	0	0
	HCFC(R-22)	kg	0	0	0	0	0	0

2. Hyosung Corporation and its subsidiaries do not emit Persistent Organic Pollutants (POPs).
   Volatile Organic Compounds (VOCs) are also classified as Hazardous Air Pollutants (HAPs) and have therefore been included under both categories.
3. In 2022 and 2023, Nitrogen Oxide (NOx) emissions were double-counted, so the aggregation method was standardized and the data were corrected.
   For air pollutant emissions excluding NOx in 2022, the amounts in previous sustainability reports differed from the values in the Stack Emission Management System (SEMS), so the data was unified using SEMS values.
4. For Ozone-depleting Substances (ODS), the amount purchased is recorded as the amount emitted.

Chemical Substances Management

Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023	2024[5]
Hazardous chemicals consumption	Ton	0	0	0	25.5	18.8	0
Hazardous chemicals consumption intensity	Ton/KRW 100 million	0	0	0	0.001	0.001	0
Separate sales	KRW 100 million	7,500	5,332	4,181	38,621	36,663	28,578
Chemical substance emissions	Ton	14.7	13.2	13.5	16.5	1.9	1.7

5. There is no usage of hazardous chemicals reported, as the subsidiaries that previously used them are no longer included in the reporting scope.

Hyosung Corporation's Environmental Performance

Water Risks[1]

Category		Korea		China	Vietnam	USA	Russia
		Seoul/Anyang/ Changwon/Gumi[5]	Busan[6]	Huizhou[7]	Bac Ninh[8]	Texas[9]	Moscow[10]
Water risk[2]		Low to medium	Medium to high	Medium to high	Very High	Low to medium	High
Water stress[3]	Baseline	Medium to high	Medium to high	Low to medium	Medium to high	High	Very High
	2030 Outlook[4]	Medium to high	Medium to high	Medium to high	High	High	Very High

1. The Water Resource Risk analysis tool (Aqueduct 4.0) from the World Resources Institute (WRI) was used.
2. A comprehensive indicator that aggregates quantity, quality, regulatory, and reputational risk indicators.
3. Water stress: Total demand/available surface water and groundwater supply (low <10%, low to medium 10-20%, medium to high 20-40%, high 40-80%, Extremely High >80%)
4. BAU (Business as usual) scenario
5. · Seoul: Headquarters offices of Hyosung Corporation, Hyosung GoodSprings, Inc., Hyosung TNS Inc., Forza Motors Korea Corp., etc., and some Forza Motors Korea Corp. auto repair shops (Seoul/Gyeonggi area) · Anyang: Hyosung Corporation research institute and production plant · Changwon: Production plant of Hyosung GoodSprings, Inc. · Gumi: Production plant of Hyosung TNS Inc.
6. Busan auto repair shop of Forza Motors Korea Corp.
7. Hyosung Financial Systems (Huizhou) Co., Ltd. office
8. Hyosung Financial System Vina Co., Ltd. production plant
9. Nautilus Hyosung America Inc. office
10. Hyosung TNS RUS L.L.C. Russia office

Water Management[11]

Category	Detailed Category	Unit	Hyosung Corporation				Total Subsidiaries		
			2022	2023	2024		2022[12]	2023[13]	2024[15]
					Planning	Performance			
Water consumption by withdrawal source	Municipal water	Ton	134,315	130,508	132,412	128,958	263,624	278,658	206,448
	Groundwater[14]	Ton	0	0	0	0	816	779	807
	Industrial water	Ton	468,414	414,894	441,654	448,882	73,548	81,089	57,085
Total water consumption		Ton	602,729	545,402	574,066	577,840	337,988	360,526	264,340
Water consumption intensity (Total water consumption/sales)		Ton/KRW 100 million	80.4	102.3	137.3	138.2	13.6	13.9	13.1
Separate sales		KRW 100 million	7,500	5,332	4,181	4,181	24,798	25,885	20,120
Total reused water		Ton	0	0	0	0	0	0	0

11. As water discharge is not tracked separately, water discharge is assumed to be equal to water intake and consumption.
12. In 2022, municipal water consumption, total water consumption, and water consumption intensity were corrected due to duplicate counts for Hyosung FMS Inc.
13. In 2022 and 2023, duplicate entries for Hyosung FMS Inc. were corrected, and additional municipal water consumption by Atmplus Inc. was identified. As a result, municipal water consumption, total water consumption, and water consumption intensity figures have been revised.
14. In 2022 and 2023, groundwater consumption for Hyosung TNS Inc. was also added, leading to revised values for groundwater, total water consumption, and water consumption intensity.
15. Subsidiaries where water consumption (e.g., in offices) is minimal, insignificant, and difficult to track were excluded from data aggregation. These subsidiaries were also excluded from the sum of separate sales and water consumption intensity calculations. (Excluded subsidiaries: Nautilus Hyosung America Inc, Hyosung Financial Systems (Huizhou) Co., Ltd., Hyosung Solutions S. de R.L. de C.V., HYOSUNG TNS RUS L.L.C.)

Category[16]		Unit	2022			2023			2024		
			Municipal water	Industrial water	Total	Municipal water	Industrial water	Total	Municipal water	Industrial water	Total
Hyosung Corporation	Anyang Plant	Ton	88,730	468,414	557,144	82,971	414,894	497,865	82,740	448,882	531,622
	Other offices	Ton	45,585	0	45,585	47,537	0	47,537	46,218	0	46,218
	Subtotal	Ton	134,315	468,414	602,729	130,508	414,894	545,402	128,958	448,882	577,840

16. Hyosung Corporation does not use groundwater.

Treatment of Water and Effluents

Category	Detailed Category	Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023	2024
Wastewater discharge by destination	Wastewater treatment	Ton	77,095	118,537	125,212	67,385	65,968	42,830
	Direct discharge into rivers	Ton	0	0	0	32,613	46,650	26,259
	Outsourced treatment	Ton	0	0	0	0	0	0
Total wastewater discharge		Ton	77,095	118,537	125,212	99,998	112,618	69,089
Biochemical Oxygen Demand (BOD)		Ton	0.10	0.09	0.28	0.03	0.03	0.02
Total Organic Carbon (TOC)		Ton	0.18	0.25	0.50	0.05	2.20	1.20
Suspended Solids (SS)		Ton	0.76	1.56	1.57	1.35	2.39	0.05
Total Nitrogen (T-N)		Ton	0.37	0.92	0.85	0.00	2.07	1.06
Total Phosphorus (T-P)		Ton	0.01	0.00	0.01	0.07	0.11	0.00

Waste Generation and Disposal[17]

Category	Detailed Category		Unit	Hyosung Corporation				Total Subsidiaries		
				2022	2023	2024		2022[19]	2023[19]	2024[20]
						Planning	Performance			
Generation	Total waste generated[18]		Ton	2,009	2,469	2,239	2,525	-	-	2,102
Disposal	Non-hazardous waste (ordinary waste) - Outsourced treatment	Recycling	Ton	1,740	2,193	1,967	2,263	666	919	1,254
		Incineration	Ton	134	136	135	129	247	338	488
		Landfill	Ton	11	0.02	5	26	1,965	2,348	4
		Other	Ton	0	64	32	21	2	4	5
		Subtotal	Ton	1,885	2,393	2,139	2,439	2,880	3,608	1,751
	Hazardous waste (designated waste) - Outsourced treatment	Recycling	Ton	125	76	100	85	56	49	45
		Incineration	Ton	0	0	0	2	155	236	198
		Landfill	Ton	0	0	0	0	0	2	0
		Other	Ton	0	0	0	0	0	1	0
		Subtotal	Ton	125	76	100	87	211	288	243
	Construction waste - Outsourced treatment	Recycling	Ton	0	0	0	0	0	0	0
		Incineration	Ton	0	0	0	0	19	213	108
		Landfill	Ton	0	0	0	0	0	0	0
		Other	Ton	0	0	0	0	0	0	0
		Subtotal	Ton	0	0	0	0	19	213	108
	Total waste treated		Ton	2,009	2,469	2,239	2,526	3,110	4,110	2,102
	Total waste recycled		Ton	1,865	2,269	2,067	2,348	722	968	1,299
	Total ratio of waste recycled		%	92.8	91.9	92.3	93.0	23.2	23.6	61.8

17. The primary waste type generated by Hyosung Corporation is waste synthetic resin, while for subsidiaries, it is wooden pallets.
18. Total waste generated will be disclosed starting from the 2024 Sustainability Report. Subsidiaries did not report data for 2022 and 2023.
19. The 2022 and 2023 figures have been revised due to the addition of subsidiary data, categorization changes, and error corrections.
20. The following subsidiaries were excluded from data aggregation: Nautilus Hyosung America Inc.; Hyosung Financial Systems (Huizhou) Co., Ltd.; Hyosung Solutions S. de R.L. de C.V. Atmplus Inc.; and Hyosung TNS RUS L.L.C. They are primarily offices and generate minimal amounts of waste or are difficult to track in terms of waste amounts.

Hyosung Corporation's Environmental Performance

Raw Material Consumption and Renewable/Recycled Input Material Amounts

Detailed Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023	2024
Total raw material consumption[1]	Ton	15,368	21,042	21,893	42,303	57,463	31,648
Renewable material consumption[2]	Ton	120	10	30	1,619	1,185	668
Recycled input material consumption[3]	Ton	28	73	437	0	0	0
Percentage of recycled input material consumption	%	0.2	0.3	2.0	0	0	0

1. Total raw material consumption includes both renewable materials and recycled input materials.
2. Renewable materials refer to substances rapidly replenished by ecological or agricultural processes, such as bamboo or hemp fibers and bio-chips.
3. Recycled input materials are those processed through artificial recycling, such as recycled chips.

Sold/Reclaimed Products and their Packaging Materials[4]

Detailed Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023[6]	2024
Total amount of products sold[5]	Ton	17,477	22,238	27,888	40,208	57,553	59,705
Total amount of packaging materials sold	Ton	608	652	692	161	203	0
Total amount of reclaimed products	Ton	0	0	0	220	279	353
Total amount of reclaimed packaging materials	Ton	53	57	84	0	0	0
Percentage of reclaimed products and packaging materials	%	0.3	0.2	0.3	0.5	0.5	0.6

4. For products managed by area, weights were calculated using the unit weight of representative products, and packaging materials were only aggregated for items managed by weight (e.g., paper cores, pallets). The type of reclaimed packaging material is pallets.
5. From 2024 onward, unit weight conversions for representative products will distinguish between roll carpets and tile carpets, leading to a reduction in the total weight of products sold in 2022 and 2023.
6. Hyosung Financial Systems (Huizhou) Co., Ltd. was converted into a sales corporation in 2023 and began aggregating sales and reclaimed data in 2024. Previously missing data was included, resulting in an increase in the 2023 figures.

Environmental Management Certifications & Eco-Friendly Certifications

Company	Business Site	PU/Business Division	Environmental Management	Hazardous Substance Process Management	Eco-Friendly Certification
Hyosung Corporation	Anyang	Interior	ISO 14001	-	GRS[7]
Gongdeok Gyeongwoo Development Corporation	Headquarters	-	-	-	Building Energy Efficiency Grade 1+
Hyosung GoodSprings, Inc.	Headquarters/ Changwon	Industrial pumps	ISO 14001	-	-
Hyosung TNS Inc.	Headquarters	IT	ISO 14001	IECQ QC 080000 HSPM[8]	-
Hyosung Financial System Vina Co., Ltd.	Vina	IT	ISO 14001	IECQ QC 080000 HSPM[8]	-

7. GRS (Global Recycled Standard: International Recycled Fiber Eco-Friendly Certification Mark)
8. Hyosung TNS Inc. has a valid IECQ QC 080000 HSPM (International Electrotechnical Commission Quality Assessment System for Electronic Components – Hazardous Substance Process Management) certification for its headquarter and Gumi plant.

Biodiversity within the Areas Affected by Business Sites[9]

Country	Region	Characteristics of the Business Site	Physical Risk	Reputational Risk	Risk Indicators of the Organization Among Physical Risks			Endangered Species (IUCN Red List[11])				Protected Areas	
					Ecosystem Regulatory Services[10]		Biodiversity Pressure	Total	CR (Critically Endang-ered)	EN (Endang-ered)	VU (Vulne-rable)	KBA[12]	PA[13]
					Heat Wave	Tropical Cyclone (Typhoon)	Pollutant Emissions						
Korea	Seoul area	9 offices	2.5	2.5	3.5	4.5	2.88	80	4	31	45	11	136
		4 automobile repair shops	3.15	2.94	3.5	4.5	2.38	30	0	11	19	9	136
	Anyang	Production	3	2.66	3	4.5	4.38	90	5	35	50	9	128
	Changwon	Production	3.4	2.62	3	4.5	4.12	97	9	34	54	3	126
	Gumi	Production	2.3	2.56	3	4.5	4.12	23	0	9	14	1	82
	Busan	2 automobile repair shops	3.15	3.5	3.5	4.5	2.12	99	8	39	52	2	73
China	Huizhou	Office	3.25	2.62	4	4	2.65	56	10	12	34	1	0
Vietnam	Bac Ninh	Production	2.56	2.55	4	4.5	4.25	52	12	11	29	1	4
USA	Texas	Office	2.5	2.5	4	3	2.12	16	0	5	11	0	52
Russia	Moscow	2 offices	2.5	2.58	3	2.5	2.12	33	4	6	23	0	137

9. The impacts were identified using the WWF (World Wide Fund for Nature) Biodiversity Risk Filter.
10. Ecosystem Regulating Services: Ecosystem services refer to the goods and benefits that humans receive directly or indirectly from ecosystem functions. Among these, regulating services are those that maintain and regulate environmental balance through the various interactions among ecosystem components.
11. Based on the IUCN Red List of Threatened Species, species categorized as Critically Endangered (CR), Endangered (EN), and Vulnerable (VU) within a 25 km radius of the business site were aggregated.
12. These are areas designated by the International Union for Conservation of Nature (IUCN) and the KBA Secretariat as contributing significantly to global biodiversity conservation. Regions located within a 50 km radius of the business sites were included in the count.
13. These are areas designated and managed by the IUCN for the long-term preservation of biodiversity, as well as natural, and cultural resources. Regions within a 50 km radius of the business sites were included in the count.

Hyosung Corporation's Environmental Performance

Environmentally Friendly Investment

Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023	2024
Environmentally friendly research cost	KRW million	14,458	11,647	17,360	0	0	0
Environmentally friendly equipment cost[1]	KRW million	1,456	1,133	1,074	0	0	0

1. This includes investments in equipment for manufacturing environmentally friendly products, equipment for removing or reducing environmental pollution, and equipment for recycling and circular economy purposes. These investments are aggregated in accordance with Article 2 of the Act on the Promotion of the Conversion into Environment-Friendly Industrial Structure.

Environmentally Friendly Products and Services Sales and Purchases[2]

Category	Unit	Hyosung Corporation			Total Subsidiaries		
		2022	2023	2024	2022	2023	2024
Sales of environmentally friendly products and services	KRW million	3,402	6,084	7,301	3,483	1,974	3,037
Purchases of environmentally friendly products and services	KRW million	341	160	831	7,297	9,310	9,990

2. According to K-Taxonomy (The Korean Green Taxonomy), the following products and services are defined and aggregated as environmentally friendly:
   - Products and installation services with higher energy efficiency than existing products, such as LED lighting and high-efficiency certified equipment.
   - Products with a lower carbon footprint than existing products, such as recycled chips and biochips.
   - Products that emit fewer hazardous chemicals or environmental pollutants than existing products.

Environmentally Friendly Vehicles[3]

Category	Detailed Category	Unit	Hyosung Corporation			Total Subsidiaries		
			2022	2023	2024	2022	2023	2024
On-road vehicles[4]	Electric vehicles	Car	0	1	1	3	3	0
	Hydrogen fuel cell electric vehicles	Car	0	0	0	0	0	0
	Solar-powered vehicles	Car	0	0	0	0	0	0
Off-road vehicles[5]	Electric vehicles	Car	17	20	18	31	31	37
	Hydrogen fuel cell electric vehicles	Car	0	0	0	0	0	0
	Solar-powered vehicles	Car	0	0	0	0	0	0
Total number of company vehicles[6]		Car	58	68	60	1,099	1,035	1,101
Ratio of environmentally friendly vehicles owned		%	29.3	30.9	31.7	3.1	3.3	3.4

3. The classification was applied according to the definitions in Article 2 of the Act on the Promotion of Development and Distribution of Environment-Friendly Motor Vehicles (also known as the Environment-Friendly Motor Vehicles Act).
4. On-road vehicles: Passenger cars, vans, trucks, special-purpose vehicles, and two-wheeled vehicles (excluding electric bicycles)
5. Off-road vehicles: Includes vehicles not defined in the regulation such as construction and agricultural machinery (e.g., forklifts, tool carts, and other carts used at business sites)
6. The number of vehicles owned by Nautilus Hyosung America Inc. in 2022 and 2023 was previously omitted and has now been corrected. Accordingly, the ratio of environmentally friendly vehicles has also been updated.

Hyosung Corporation's Anyang Plant Social Performance

Hyosung Corporation separately reports the social and environmental performance details of its Anyang Plant, the company's only manufacturing site.

Employees[1]

Category			Unit	Anyang Plant		
				2022	2023	2024
Total number of employees (Permanent + Temporary)			Person	74	74	79
Gender	Permanent employees	Male	Person	66	66	67
		Female	Person	6	6	4
		Subtotal	Person	72	72	71
	Temporary employees	Male	Person	2	1	6
		Female	Person	0	1	2
		Subtotal	Person	2	2	8
Age	Permanent employees	Under 30	Person	12	11	7
		30–50	Person	30	30	34
		51 and above	Person	30	31	30
	Temporary employees	Under 30	Person	1	1	6
		30–50	Person	0	0	1
		51 and above	Person	1	1	1
By employee category	By employee category (permanent employees)	Office	Person	37	35	38
		Technical	Person	35	57	33
		Executive	Person	0	0	0
	Permanent employees	Manager level or higher	Person	14	15	16
		Non-manager level	Person	58	57	55
	Temporary employees	Executive	Person	0	0	0
		Manager level or higher	Person	1	1	0
		Non-manager level	Person	1	1	8
Employee diversity[2]	Employee diversity	Employees with disability	Person	2	2	2
		Veterans	Person	2	2	2
		Foreigner	Person	0	0	0
		Subtotal	Person	4	4	4
	Fostering female talent	Female employee ratio	%	8.1	9.5	7.6
		Number of female at manager level (or higher)	Person	1	1	0
		Number of male at manger level (or higher)	Person	14	15	16
		Proportion of female at manager level (or higher)	%	6.7	6.3	0.0
Workers who are not employees[3]	Gender	Male	Person	134	147	152
		Female	Person	20	20	19
		Subtotal	Person	154	167	171
Percentage of local senior managers with the local nationality working on site			%	100	100	100

1. Data as of December 31, 2024. "Manager" refers to positions of PM/Manager or higher. "Senior Manager" refers to team leaders, department heads, supervisors, or higher.
2. The diversity goals for employees at the Anyang Plant are included in the overall diversity goals of Hyosung Corporation.
   Hyosung corporation diversity targets: 14 persons with disabilities and 128 women by 2025 / 16 persons with disabilities and 131 women by 2026
3. Workers who are not employees: This refers to dispatched, subcontracted, or outsourced personnel working within the company's business sites but not listed as directly affiliated in the business report.

New Employee Hires

Category		Unit	Anyang Plant		
			2022	2023	2024
New hires (Permanent + Temporary)	New hires	Person	1	2	7
	Experienced new hires	Person	1	1	2
	Transfers from affiliated companies	Person	9	3	6
	Subtotal	Person	11	6	15
New hires by gender	Male	Person	11	5	14
	Female	Person	0	1	1
	Subtotal	Person	11	6	15
New hire rate by gender	Male	%	100.0	83.3	93.3
	Female	%	0.0	16.7	6.7
New hires by age	Under 30	Person	3	5	8
	30–50	Person	5	0	6
	51 and above	Person	3	1	1
New hire rate by age	Under 30	%	27.3	83.3	53.3
	30–50	%	45.5	0.0	40.0
	51 and above	%	27.3	16.7	6.7

Employee Turnover

Category		Unit	Anyang Plant		
			2022	2023	2024
Turnovers	Voluntary turnover	Person	2	3	1
	Transfers to affiliated company	Person	12	0	3
	Involuntary turnover[4]	Person	0	3	6
	Subtotal	Person	14	6	10
Turnover rate	Voluntary turnover rate	%	2.7	4.1	1.3
	Total turnover rate	%	18.9	8.1	12.7
Turnovers by gender	Male	Person	14	6	8
	Female	Person	0	0	2
	Subtotal	Person	14	6	10
Turnover rate by gender	Male	%	18.9	8.1	10.1
	Female	%	3.7	5.5	1.6
Turnovers by age	Under 30	Person	1	3	2
	30–50	Person	4	2	4
	51 and above	Person	9	1	4
	Subtotal	Person	14	6	10
Turnover rate by age	Under 30	%	1.4	4.1	2.5
	30–50	%	5.4	2.7	5.1
	51 and above	%	12.2	1.4	5.1

4. Involuntary turnover includes: Voluntary resignation upon recommendation, dismissal, death, etc.

Hyosung Corporation's Anyang Plant Social Performance

Employee Salary and Compensation

Category		Unit	Anyang Plant		
			2022	2023	2024
Average total annual compensation for entry-level employees[1]	Male	KRW million	37	46	33
	Female	KRW million	0	31	0
	Total	KRW million	37	38	29
Local annual average legal minimum wage		KRW million	23	24	25
Ratio of wages for new hires compared to the local legal minimum wage	Male	%	159.4	188.8	134.7
	Female[2]	%	N/A	129.6	N/A
Average total compensation by employee category[3]	Male executive	KRW million	0	0	0
	Male at manager level (or higher)	KRW million	86	92	89
	Male at non-manager level	KRW million	75	72	73
	Female executive	KRW million	0	0	0
	Female at manager level (or higher)	KRW million	105	105	0
	Female at non-manager level	KRW million	40	41	38
Ratio of total compensation for female to male[3]	Executive	%	N/A	N/A	N/A
	Manager level or higher	%	122.8	114.4	0
	Non-manager level	%	52.9	57.0	52.0
Average total annual compensation of all employees		KRW million	75	74	74

1. In 2022 and 2024, there were no female hires at the staff level (L1, Grade 5: first year) at the Anyang Plant, so the average annual total compensation for female entry-level employees could not be calculated.
2. In 2022 and 2024, the average annual total compensation for female entry-level employees could not be calculated. Therefore, the ratio of wages for female new hires compared to the local legal minimum wage cannot be calculated. Accordingly, it is reported as N/A.
3. Since there are no executive-level positions at the Anyang Plant, the ratio of total compensation for female employees to male employees cannot be calculated and this is reported as "N/A."

Minimum Notice Periods Regarding Operational Changes

If there is a legal standard such as a notice of dismissal, it is notified in advance in accordance with Hyosung Corporation's stipulated timeframes.

Maternity Leave and Parental Leave[4]

Category		Unit	Anyang Plant		
			2022	2023	2024
Maternity leave (Male)	Number of employees on maternity leave	Person	3	0	0
	Return rate after maternity leave	%	100	N/A	N/A
Maternity leave (Female)	Number of employees on maternity leave	Person	0	0	0
	Return rate after maternity leave	%	N/A	N/A	N/A
Parental leave (Male)	Number of employees entitled to parental leave	Person	8	7	8
	Number of employees on parental leave	Person	0	1	1
	Number of employees returning to work after parental leave	Person	0	1	0
	Number of employees with over 12 months of service after parental leave	Person	0	0	1
	Return rate after parental leave	%	N/A	100	0
	Ratio of employees retained 12 months after returning to work in the previous reporting period following a period of parental leave	%	N/A	N/A	100
Parental leave (Female)	Number of employees entitled to parental leave	Person	1	0	1
	Number of employees on parental leave	Person	0	0	0
	Number of employees returning to work after parental leave	Person	0	0	0
	Number of employees with over 12 months of service after parental leave	Person	0	0	0
	Return rate after parental leave	%	N/A	N/A	N/A
	Ratio of employees retained 12 months after returning to work in the previous reporting	%	N/A	N/A	N/A

4. If there are no users of maternity or parental leave, the return rate and retention rate cannot be calculated and are therefore reported as "N/A."

Labor Union and Retirement Pension

Category		Unit	Anyang Plant		
			2022	2023	2024
Labor Union	Number of employees covered by collective bargaining agreements[5]	Person	35	34	38
	Ratio of employees covered by collective bargaining agreements among total employees	%	47.3	45.9	48.1
	Number of union members	Person	35	34	38
	Rate of union enrollment	%	100.0	100.0	100.0
Retirement pension	Total operation fund for retirement pensions (DB + DC)	KRW million	3,324	3,848	3,575
	Operation fund for DB pension	KRW million	3,225	3,727	3,474
	Operation fund for DC pension	KRW million	99	121	101
	Total number of members	Person	74	74	79
	Number of DB pension members	Person	58	56	60
	Number of DC pension members	Person	16	18	19

5. The collective bargaining agreements at Hyosung Corporation applies to Grade 5 production workers.

Hyosung Corporation's Anyang Plant Social Performance

Employee Training[1]

Category		Unit	Anyang Plant		
			2022[2]	2023	2024
Training participants (cumulative by program)		Person	-	423	462
Total training expenses[3]		KRW million	-	N/A	N/A
Total training hours		Hour	-	1,506	1,511
Average training hours per employee (Total training hours/Number of employees)		Hour	-	20	19
Average training expenses per employee (Total training expense/Number of employees)[3]		KRW thousand	-	N/A	N/A
Total training hours per employee by gender[3]	Male	Hour	-	19	18
	Female	Hour	-	29	38
Average training hours per employee by employee category[4]	Executive	Hour	-	0	0
	Manager level or higher	Hour	-	30	31
	Non-manager level	Hour	-	18	16
Number of participants in environmental training		Person	-	34	38
Number of participants in ethics and anti-corruption training		Person	-	34	32
Number of participants in fair trade training		Person	-	35	32
Number of participants in safety and health training		Person	-	11	30
Number of participants in human rights training (e.g., sexual harassment prevention, disability awareness, discrimination prevention, etc.)		Person	-	149	147
Number of participants in information security training		Person	-	40	61
Number of participants in sustainability management training		Person	-	35	30
Number of participants in retirement training		Person	-	0	0

1. The aggregation criteria include new employee training, general/professional job training, leadership training, globalization training, and sustainability training for all employees (permanent and temporary). The number of trainees is based on the cumulative number of participants per training program.
2. Due to insufficient data, the 2022 employee training data for the Anyang Plant was not compiled.
3. The total and per capita training expenses of the Anyang Plant cannot be separately calculated from those of Hyosung Corporation and this is reported as "N/A."
4. The average training hours per employee by gender and employee category have been recorded starting in 2023.

Regular Performance Evaluation and Career Development Reviews

Category		Unit	Anyang Plant		
			2022	2023	2024
Number of employees subject to performance evaluation		Person	72	72	71
Performance evaluation rate		%	97.3	97.3	89.9
Performance evaluation and career development review rate by gender	Male	%	97.1	98.5	91.8
	Female	%	100.0	85.7	66.7
Performance evaluation and career development review rate by employee category[5]	Executive	%	N/A	N/A	N/A
	Manager level or higher	%	93.3	93.8	100.0
	Non-manager level	%	98.3	98.3	87.3

5. Since there are no executive-level positions at the Anyang Plant, the performance evaluation and career development review rate by executive level cannot be calculated and this is reported as "N/A."

Suppliers

Category	Unit	Anyang Plant		
		2022	2023	2024
Number of suppliers	Supplier	119	122	122
Total purchase from suppliers	KRW million	51,062	52,451	51,894
Total purchase from local suppliers[6]	KRW million	37,172	32,253	30,331
Proportion of purchase from local suppliers	%	72.8	61.5	58.4
Number of key suppliers[7]	Supplier	25	29	26
Total purchase from key suppliers	KRW million	48,245	49,756	49,189
Total purchase from key local suppliers	KRW million	35,058	30,365	28,202
Proportion of purchase from key local suppliers	%	72.7	61.0	57.3
Percentage of key suppliers that committed to the Supplier Code of Conduct	%	56.0	48.3	53.8
Proportion of key suppliers under contracts with ESG clauses[8]	%	N/A	N/A	N/A

6. Total purchase from local suppliers: It refers to the total purchase with suppliers located in the same country as the business site, excluding imported goods.
7. Starting in 2024, information related to key suppliers is disclosed. The key suppliers of the Anyang Plant are those providing raw and subsidiary materials or subcontracting services directly related to product manufacturing, covering the top 95% of suppliers by transaction volume.
8. As there were no new suppliers at the Anyang Plant in the past three years, the proportion of suppliers under contracts with ESG clauses for the years 2022–2024 cannot be calculated and this is reported as "N/A."

Social and Environmental Impact Assessment of the Supply Chain

Category	Unit	Anyang Plant		
		2022	2023	2024
Number of new suppliers that underwent social/environmental impact assessments	Supplier	0	0	0
Percentage of new suppliers that underwent social/environmental impact assessments[9]	%	N/A	N/A	N/A
Number of key suppliers that underwent social/environmental impact assessments	Supplier	18	18	18
Percentage of key suppliers that underwent social/environmental impact assessments	%	72.0	62.1	69.2
Number of key suppliers that underwent on-site due diligence	Supplier	3	3	3
Percentage of key suppliers that underwent on-site due diligence	%	12.0	10.3	11.5
Number of suppliers having practical or/and negative social/environmental impacts	Supplier	0	0	0
Percentage of suppliers that agreed improvement based on the results of social/environmental impact assessments[9]	%	N/A	N/A	N/A
Percentage of suppliers whose contracts were terminated based on the results of social/environmental impact assessments[9]	%	N/A	N/A	N/A

9. The calculation formula for the percentage of new suppliers that conducted social/environmental impact assessments is: (Number of new suppliers assessed and contracted during the reporting period ÷ Total number of new suppliers contracted during the reporting period) × 100. If there are no new suppliers or no suppliers assessed, making the denominator zero, the percentage cannot be calculated and is therefore reported as "N/A."

Hyosung Corporation's Anyang Plant Social Performance

Occupational Health and Safety Management System

Category	Unit	Hyosung Corporation		
		2022	2023	2024
Total workers (employees + workers who are not employees)	Person	228	241	250
Number of workers working at business sites where the company's health and safety management system are operational	Person	228	241	250
	%	100	100	100
Number of workers working within the systems that undergo regular/irregular audits (or monitoring) of the company's health and safety management system	Person	228	241	250
	%	100	100	100
Number of workers working at business sites subject to customer audits or audits for external certification[2]	Person	228	241	250
	%	100	100	100

Occupational Injuries and Ill-Health

Category		Unit	Hyosung Corporation		
			2022	2023	2024
Employees	Number of work-related injuries and ill health	Person	3	0	0
	Rate of work-related injuries and ill health[1]	%	4.1	0	0
	Number of fatalities as a result of work-related injuries	Person	0	0	0
	Work-related fatality rate per ten thousand workers[2]	%	0	0	0
	Number of cases of work-related injuries and ill health	Case	3	0	0
	Lost Time Injury Frequency Rate (LTIFR)[3]	Cases per million hours	19.4	0	0
Workers who are not employees but whose work and/or workplace is controlled by the organization	Number of work-related injuries and ill health	Person	0	0	1[4]
	Rate of work-related injuries and ill health[1]	%	0	0	0.6
	Number of fatalities as a result of work-related injuries	Person	0	0	0
	Work-related fatality rate per ten thousand workers[2]	%	0	0	0
	Number of cases of work-related injuries and ill health	Case	0	0	1
	Lost Time Injury Frequency Rate (LTIFR)[3]	Cases per million hours	0	0	2.8

1. Rate of work-related injuries and ill health: Number of work-related injuries and ill health ÷ Number of workers × 100
2. Work-related fatality rate per ten thousand workers: Number of fatalities ÷ Number of workers × 10,000
3. Lost Time Injury Frequency Rate (LTIFR): Number of cases of work-related injuries and ill health÷ Total working hours × 1,000,000
4. In 2024, all occupational injuries at Hyosung Corporation's Anyang Plant were work-related fractures, and there were no work-related ill health.

Business Partners' Dissatisfaction / Safety- and Health-Related Grievance Mechanism

Category	Unit	Anyang Plant		
		2022	2023	2024
Number of dissatisfaction cases received from business partner	Case	44	100	56
Number of dissatisfaction cases processed from business partner	Case	44	100	56
Ratio of cases processed	%	100	100	100

Hyosung Corporation's Anyang Plant Environmental Performance

Energy Consumption

Category		Unit	Anyang Plant			
			2022	2023	2024	
					Planning	Performance
Direct energy consumption	Diesel	TJ	0.84	1.17	1.01	1.31
	Kerosene	TJ	0	0	0	0
	LNG	TJ	178.51	160.77	180.25	159.82
	NG	TJ	0	0	0	0
	Gasoline	TJ	0.04	0.03	0.05	0.04
	Propane	TJ	0.69	0.85	0.85	0.88
	LPG	TJ	0	0	0	0
	Subtotal	**TJ**	**180.08**	**162.83**	**182.17**	**162.04**
Indirect energy consumption	Electricity[1]	TJ	393.37	372.70	409.95	366.71
	Steam	TJ	0	0	0	0
	Subtotal	**TJ**	**393.37**	**372.70**	**409.95**	**366.71**
Total energy consumption		**TJ**	**573.45**	**535.53**	**592.12**	**528.75**
Energy intensity[2] (Total energy consumption/sales)		TJ/KRW 100 million	0.34	0.30	0.32	0.29
Separate sales		KRW 100 million	1,696	1,802	1,834	1,834
Renewable energy consumption	Purchase (PPA / Green Premium / REC)	TJ	0	0	0	0
	Self-generated	TJ	0	0	0	0
	Subtotal	**TJ**	**0**	**0**	**0**	**0**

1. Conversion factors for electricity energy consumption: 9.6 TJ/GWh for domestic usage (based on national specific calorific values and emission factors by fuel type), 3.6 TJ/GWh for overseas usage
2. The intensity was calculated based on separate sales.

GHG Emissions[3]

Category		Unit	Anyang Plant			
			2022	2023	2024	
					Planning	Performance
Direct GHG emissions (Scope 1)	Stationary combustion	tCO_2eq	9,087	8,200	9,172	8,158
	Mobile combustion		62	82	62	87
	Waste disposal		0	13	39	39
	Other emissions		0	0	0	0
	Subtotal	tCO_2eq	**9,149**	**8,294**	**9,274**	**8,284**
Indirect GHG emissions (Scope 2)	Electricity	tCO_2eq	18,825	17,836	19,618	17,549
	Steam		0	0	0	0
	Subtotal	tCO_2eq	**18,825**	**17,836**	**19,618**	**17,549**
Total GHG emissions[4] (Scope 1 & 2)		tCO_2eq	27,973	26,130	28,892	25,833
GHG emissions intensity[5]	Scope 1	tCO2eq/KRW 100 million	5.4	4.6	5.1	4.5
	Scope 2		11.1	9.9	10.7	9.6
	Subtotal	tCO2eq/KRW 100 million	**16.5**	**14.5**	**15.8**	**14.1**
Separate sales		KRW 100 million	1,696	1,802	1,834	1,834

3. This information submitted for the year is based on the quantities of emission allowances certified for submission under the Greenhouse Gas Emissions Trading System reporting and verification guidelines, and the Ministry of Environment's conformity assessment.
4. Only CO_2, CH_4, and N_2O are emitted as greenhouse gases. The total emission figure shown above may differ from that disclosed in the business report due to rounding of decimals values at each business site.
5. The intensity was calculated based on separate sales.

Hyosung Corporation's Anyang Plant Environmental Performance

Expected Amount of Energy Savings and Greenhouse Gas Reduction[1]

Company	Energy Type	Project Name	Implementation Date	Investment (KRW million)	Estimated Energy Savings (kWh/year, Nm³/year)	Estimated Energy Savings (TJ/year)	Estimated GHG Reduction (tCO_2eq/year)
Anyang	Electric power (Scope 2)	Reducing electricity costs by optimizing the operating load of the aeration tank	Jan. 2022	0	78,840	0.76	36
		Maintenance of compressed air moisture discharge devices and leak elimination activities	Mar. 2022	8	69,292	0.67	32
		Replacement of old chilled water pump motor for the chiller	Apr. 2022	13	51,443	0.49	24
		Replacement of old cooling water pump motor for the chiller	Apr. 2022	10	14,525	0.14	7
		20% improvement in compressed air production efficiency (introduction of new air compressor and modification of piping line)	Aug. 2022	350	2,610,480	25.06	1,199
		Reduction of compressed air operating pressure by 0.9 kg/cm²	Aug. 2022	105	761,244	7.31	350
		30% reduction in electricity costs due to increased production from the Introduction of high-speed tufting machines	Nov. 2022	495	105,120	1.01	48
		Reduction in electricity loss through integrated operation of transformers (from 3 to 2 transformers)	Dec. 2022	0	131,400	1.26	60
		Reduction in electricity loss in wires by adjusting the secondary voltage tap of the main transformer (from 3.2kV to 3.4kV)	May 2023	0	61,613	0.59	28
	LNG (Scope 1)	Fuel cost reduction via installation of boiler waste heat recovery device	Jun. 2024	170	73,928	3.19	161
	Electric power (Scope 2)	Replacement of air compressor cooling water pump with a properly sized pump	Mar. 2024	60	345,232	3.31	159
		Restoration of normal operation of 600 HP turbo air compressor	Mar. 2024	55	323,435	3.10	149
		Replacement of chiller chilled water pump with high-efficiency pump	Mar. 2024	60	208,152	2.00	96
		Installation of automatic moisture drainage device in compressed air tank to reduce electricity cost	Apr. 2024	3.8	34,164	0.33	16
		Installation of high-pressure refrigerated air dryer and automatic dew point control system	Jun. 2024	95	170,739	1.64	78
		Installation of low-pressure refrigerated air dryer and automatic dew point control system	Jun. 2024	90	242,424	2.33	111
		Electricity cost reduction through change in raw material conveying method	Nov. 2024	10	44,651	0.43	21

1. The expected amounts of energy savings and greenhouse gas reduction are estimated values based on assumptions including changes in facility capacity, efficiency, and operating hours before and after project implementation.

Air Pollutant Emissions[2]

Category	Detailed Category	Unit	Anyang Plant		
			2022	2023	2024
General air pollutants	Nitrogen Oxides (NOx)	kg	2,643	2,451	2,498
	Sulfur Oxides (SOx)	kg	0	0	0
	Total Hydrocarbons (THC)	kg	487	412	428
	Total Suspended Particles (TSP)	kg	39	331	68
	Zinc and its compounds	kg	0	0	0
Hazardous Air Pollutants (HAPs)	Hydrogen Chloride (HCl), etc.	kg	0.34	9.32	4.85
Volatile Organic Compounds (VOCs)	Ethylbenzene, Formaldehyde	kg	0	0	0
Ozone-Depleting Substances (ODS)[3]	CFC(R-11)	kg	0	0	0
	HCFC(R-123)	kg	0	0	0
	HCFC(R-22)	kg	0	0	0

2. The Anyang Plant does not emit Persistent Organic Pollutants (POPs).
   Volatile Organic Compounds (VOCs) are also classified as Hazardous Air Pollutants (HAPs) and have therefore been included under both categories.
3. For Ozone-Depleting Substances (ODS), the amount purchased is recorded as the amount emitted.

Chemical Substances Management

Category	Unit	Anyang Plant		
		2022	2023	2024
Hazardous chemicals consumption	Ton	0	0	0
Hazardous chemicals consumption intensity	Ton/KRW 100 million	0	0	0
Separate sales	KRW 100 million	1,696	1,802	1,834
Chemical substance emissions	Ton	14.7	13.2	13.5

Hyosung Corporation's Anyang Plant Environmental Performance

Water Management[1]

Category	Detailed Category	Unit	Anyang Plant		
			2022	2023	2024
Water consumption by withdrawal source	Municipal water	Ton	88,730	82,971	82,740
	Groundwater	Ton	0	0	0
	Industrial water	Ton	468,414	414,894	448,882
Total water consumption		Ton	557,144	497,865	531,622
Water consumption intensity (Total water consumption/sales)		Ton/KRW 100 million	328.5	276.3	289.9
Separate sales		KRW 100 million	1,696	1,802	1,834
Total reused water		Ton	0	0	0

1. As water discharge is not tracked separately, water discharge is assumed to be equal to water intake and consumption.

Treatment of Water and Effluents

Category	Detailed Category	Unit	Anyang Plant		
			2022	2023	2024
Wastewater discharge by destination	Wastewater treatment	Ton	77,095	118,537	125,212
	Direct discharge into rivers	Ton	0	0	0
	Outsourced treatment	Ton	0	0	0
Total wastewater discharge		Ton	77,095	118,537	125,212
Biochemical Oxygen Demand (BOD)		Ton	0.10	0.09	0.28
Total Organic Carbon (TOC)		Ton	0.18	0.25	0.50
Suspended Solids (SS)		Ton	0.76	1.56	1.57
Total Nitrogen (T-N)		Ton	0.37	0.92	0.85
Total Phosphorus (T-P)		Ton	0.01	0.00	0.01

Raw Material Consumption and Renewable/Recycled Input Material Amounts

Category	Unit	Anyang Plant		
		2022	2023	2024
Total raw material consumption[2]	Ton	15,368	21,042	21,893
Renewable material consumption[3]	Ton	120	10	30
Recycled input material consumption[4]	Ton	28	73	437
Percentage of recycled input material consumption	%	0.2	0.3	2.0

2. Total raw material consumption includes both renewable materials and recycled input materials.
3. Renewable materials refer to substances rapidly replenished by ecological or agricultural processes, such as bamboo or hemp fibers and bio-chips.
4. Recycled input materials are those processed through artificial recycling, such as recycled chips.

Waste Generation and Disposal[5]

Category		Detailed Category	Unit	Anyang Plant		
				2022	2023	2024
Generation	Total waste generated		Ton	1,907	2,367	2,433
Disposal	Non-hazardous waste (ordinary waste) - Outsourced treatment	Recycling	Ton	1,735	2,187	2,257
		Incineration	Ton	38	40	63
		Landfill	Ton	10	0	26
		Other	Ton	0	64	0
		Subtotal	**Ton**	**1,782**	**2,291**	**2,346**
	Hazardous waste (designated waste) - Outsourced treatment	Recycling	Ton	125	76	85
		Incineration	Ton	0	0	2
		Landfill	Ton	0	0	0
		Other	Ton	0	0	0
		Subtotal	**Ton**	**125**	**76**	**87**
	Construction waste - Outsourced treatment	Recycling	Ton	0	0	0
		Incineration	Ton	0	0	0
		Landfill	Ton	0	0	0
		Other	Ton	0	0	0
		Subtotal	**Ton**	**0**	**0**	**0**
	Total waste treated		Ton	1,907	2,367	2,433
	Total waste recycled		Ton	1,859	2,263	2,342
	Total ratio of waste recycled		%	97.5	95.6	96.2

5. The primary waste type generated by Hyosung Corporation's Anyang Plant is waste synthetic resin.

Sold/Reclaimed Products and their Packaging Materials[6]

Category	Unit	Anyang Plant		
		2022	2023	2024
Total amount of products sold	Ton	17,477	22,238	27,888
Total amount of packaging materials sold	Ton	608	652	692
Total amount of reclaimed products	Ton	0	0	0
Total amount of reclaimed packaging materials	Ton	53	57	84
Percentage of reclaimed products and packaging materials	%	0.3	0.2	0.3

6. For products managed by area, weights were calculated using the unit weight of representative products, and packaging materials were only aggregated for items managed by weight (e.g., paper cores, pallets). The type of reclaimed packaging material is pallets.

Governance of Hyosung Corporation's Subsidiaries

Compliance with Ethics and Laws

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023[2]	2024	2024	2024	2024	2024
Employee discrimination	Total number of discrimination incidents	Case	1	1	0	0	0	0	0
	Reviewed incidents of discrimination	Case	1	2	0	0	0	0	0
Corruption	Number of reported incidents of corruption	Case	5	2	0	0	0	0	0
	Number of people dismissed or disciplined for corruption	Person	1	10	0	0	0	0	0
Unfair transaction	Number of unfair transaction practices	Case	0	0	0	0	0	0	0
	Fine for unfair transaction practices	KRW million	0	0	0	0	0	0	0
Non-compliance with laws and regulations	Cases of fines-imposed	Case	3[3]	8[4]	0	0	0	0	0
	Cases with non-monetary sanctions	Case	0	0	0	0	0	0	0
	Number of employees with records of investment-related investigations, customer complaints, lawsuits, or legal sanctions	Person	1	0	0	0	0	0	0
	Number of violations of legal and voluntary regulations regarding product and service information and labeling	Case	0	0	0	0	0	0	0
	Number of violations of legal and voluntary regulations regarding health and safety impact of products and services	Case	0	0	0	0	0	0	0
	Number of violations of legal and voluntary regulations regarding marketing communication such as advertising, promotion, and sponsorship	Case	0	0	0	0	0	0	0
	Total amount of fines	KRW million	814[3]	168[4]	0	0	0	0	0
	Fines for violations of financial regulations, including insider trading, monopoly, and anticompetitive behaviors	KRW million	739[3]	0	0	0	0	0	0
	Fines for violation of environmental regulations	KRW million	0	18	0	0	0	0	0
Percentage of employees that have received notification and training on anti-corruption policies and procedures		%	42.0	85.0	59.1	65.5	58.9	56.1	96.0
Total number of operations assessed for risks related to corruption[1]		Operation	-	73	65	2	3	60	0
Percentage of operations assessed for risks related to corruption[1]		%	-	79.3	78.3	100	100	98.4	0

1. The number and percentage of operations assessed for risks related to corruption have been tabulated since 2023.
2. In 2023, the number of employees at Forza Motors Korea Corp. who received notifications and training on anti-corruption policies and procedures was initially omitted and has now been reflected. Accordingly, the percentage of employees who received such notifications and training has been corrected.
3. Due to the omission of subsidiary data, the 2022 data has been corrected (Forza Motors Korea Corp., Hyosung GoodSprings, Inc.).
4. Due to the omission of subsidiary data, the 2023 data has been corrected (Forza Motors Korea Corp., Hyosung GoodSprings, Inc.).

Social Performance of Hyosung Corporation's Subsidiaries

Employees[1]

Category			Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
				2022[3]	2023[3]	2024	2024	2024	2024	2024
Total number of employees (Permanent + Temporary)			Person	4,262	4,201	4,120	371	633	2,941	175
Gender	Permanent employees	Male	Person	2,907	2,780	2,733	318	452	1,801	162
		Female	Person	638	507	452	22	104	313	13
		Subtotal	**Person**	**3,545**	**3,287**	**3,185**	**340**	**556**	**2,114**	**175**
	Temporary employees	Male	Person	492	678	671	19	51	601	0
		Female	Person	225	236	264	12	26	226	0
		Subtotal	**Person**	**717**	**914**	**935**	**31**	**77**	**827**	**0**
By age	Permanent employees	Under 30	Person	569	386	536	27	26	464	19
		30–50	Person	2,445	2,204	2,101	250	427	1,294	130
		51 and above	Person	531	697	548	63	103	356	26
	Temporary employees	Under 30	Person	469	546	521	16	13	492	0
		30–50	Person	193	320	346	9	37	300	0
		51 and above	Person	55	48	68	6	27	35	0
By employee category	By employee category (Permanent employees)	Office	Person	2,004	1,991	1,972	263	556	978	175
		Technical	Person	1,541	1,296	1,213	77	0	1,136	0
	Permanent employees	Executive	Person	53	51	40	3	8	16	13
		Manager level or higher	Person	1,185	1,173	1,161	168	366	506	121
		Non-manager level	Person	2,307	2,063	1,984	169	182	1,592	41
	Temporary employees	Executive	Person	0	0	0	0	0	0	0
		Manager level or higher	Person	27	19	15	0	12	3	0
		Non-manager level	Person	690	895	920	31	65	824	0
Employees Diversity	Gender diversity on the Board of Directors	Male	Person	40	42	33	4	3	16	10
		Female	Person	1	2	1	0	0	1	0
		Subtotal	**Person**	**41**	**44**	**34**	**4**	**3**	**17**	**10**
	Age diversity on the Board of Directors	Under 30	Person	0	0	0	0	0	0	0
		30–50	Person	9	6	5	0	0	5	0
		51 and above	Person	32	38	29	4	3	12	10
	Employee diversity	Employees with disability	Person	71	62	59	8	13	35	3
		Veterans	Person	64	72	66	9	13	44	0
		Foreigner	Person	41	40	33	3	5	25	0
		Subtotal	**Person**	**176**	**174**	**158**	**20**	**31**	**104**	**3**
	Fostering female talent	Female employee ratio	%	20.2	17.7	17.4	9.2	20.5	18.3	7.4
		Number of female at manager level (or higher)	Person	155	137	157	7	48	98	4
		Number of male at manager level (or higher)	Person	972	1,021	1,068	164	358	432	114
		Proportion of female at manager level (or higher)	%	13.8	11.8	12.8	4.1	11.8	18.5	3.4
Workers who are not employees[2]	Gender	Male	Person	143	228	220	0	86	114	20
		Female	Person	50	78	57	0	13	28	16
		Subtotal	**Person**	**193**	**306**	**277**	**0**	**99**	**142**	**36**
Percentage of local senior managers with the local nationality working on site			%	82.6	66.8	85.3	100	100	58.1	100

1. Data as of December 31, 2024. "Manager" refers to positions of PM/Manager or higher. "Senior Manager" refers to team leaders, department heads, supervisors, or higher.
2. Workers who are not employees: These are dispatched, subcontracted, and service personnel working at our business sites but not officially affiliated with the company according to the business report. Due to counting errors, the number of workers who are not employees in 2022 and 2023 has been revised.
3. Due to a compilation error, the following data for subsidiaries in 2022 and 2023 have been corrected: total number of employees, number of temporary employees by gender, number of permanent employees by gender and age, number of permanent employees by employee category, fostering female talent, number of workers who are not employees, and the percentage of local senior managers with the local nationality working on site.

Social Performance of Hyosung Corporation's Subsidiaries

New Employee Hires

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023[1]	2024	2024	2024	2024	2024
New hires (Permanent + Temporary)	New hires	Person	745	913	1,205	29	2	1,170	4
	Experienced new hires	Person	444	528	431	15	27	371	18
	Transfers from affiliated companies	Person	9	11	9	2	6	1	0
	Subtotal	**Person**	**1,198**	**1,452**	**1,645**	**46**	**35**	**1,542**	**22**
New hires by gender	Male	Person	875	1,165	1,169	37	28	1,084	20
	Female	Person	323	287	476	9	7	458	2
	Subtotal	**Person**	**1,198**	**1,452**	**1,645**	**46**	**35**	**1,542**	**22**
New hire rate by gender	Male	%	73.0	80.2	71.1	80.4	80.0	70.3	90.9
	Female	%	27.0	19.8	28.9	19.6	20.0	29.7	9.1
New hires by age	Under 30	Person	666	823	916	23	5	880	8
	30–50	Person	470	536	602	17	24	549	12
	51 and above	Person	62	93	127	6	6	113	2
New hire rate by age	Under 30	%	55.6	56.7	55.7	50.0	14.3	57.1	36.4
	30–50	%	39.2	36.9	36.6	37.0	68.6	35.6	54.5
	51 and above	%	5.2	6.4	7.7	13.0	17.1	7.3	9.1

1. A compilation error was found and the number of subsidiary employees in 2023 has been revised.

Employee Turnover

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023[3]	2024	2024	2024	2024	2024
Turnovers	Voluntary turnover	Person	729	936	1,087	21	31	1,000	35
	Transfers to affiliated company	Person	5	4	8	1	3	4	0
	Involuntary turnover[2]	Person	385	645	335	25	147	163	0
	Subtotal	**Person**	**1,119**	**1,585**	**1,430**	**47**	**181**	**1,167**	**35**
Turnover rate	Voluntary turnover rate	%	17.1	22.3	26.4	5.7	4.9	34.0	20.0
	Total turnover rate	%	26.2	37.7	34.7	12.7	28.6	39.7	20.0
Turnovers by gender	Male	Person	872	985	1,119	37	146	903	33
	Female	Person	247	600[4]	311	10	35	264	2
	Subtotal	**Person**	**1,119**	**1,585**	**1,430**	**47**	**181**	**1,167**	**35**
Turnover rate by gender	Male	%	20.5	23.4	27.2	10.0	23.1	30.7	18.9
	Female	%	5.8	14.3[4]	7.5	2.7	0.8	1.2	11.4
Turnovers by age	Under 30	Person	545	893	808	15	14	778	1
	30–50	Person	517	530	486	16	98	344	28
	51 and above	Person	57	162	136	16	69	45	6
	Subtotal	**Person**	**1,119**	**1,585**	**1,430**	**47**	**181**	**1,167**	**35**
Turnover rate by age	Under 30	%	12.8	21.3	19.6	4.0	2.2	26.5	0.6
	30–50	%	12.1	12.6	11.8	4.3	15.9	11.7	16.0
	51 and above	%	1.3	3.9	3.3	4.3	10.9	1.5	3.4

2. Involuntary turnover includes: Voluntary resignation upon recommendation, dismissal, death, etc.
3. A compilation error was found and the number of subsidiary employees in 2023 has been revised.
4. In addition, the number of female employee departures and the turnover rate for subsidiaries in 2023 were corrected due to a calculation error.

Social Performance of Hyosung Corporation's Subsidiaries

Employee Salary and Compensation

Category		Unit	Total Subsidiaries[1]		Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2023	2024	2024	2024	2024	2024
Average total annual compensation for entry-level employees[2]	Male	KRW million	41	44	47	57	40	45
	Female	KRW million	33	37	37	43	36	33
	Total	**KRW million**	**39**	**44**	**45**	**55**	**40**	**44**
Local annual average legal minimum wage		KRW million	18	19	25	25	16	25
Ratio of wages for new hires compared to the local legal minimum wage	Male	%	234.9	231.7	192.0	232.4	242.9	181.5
	Female	%	186.0	197.0	149.2	172.1	218.8	132.5
Average total compensation by employee category[3]	Male executive	KRW million	183	184	310	237	174	125
	Male at manager level (or higher)	KRW million	79	80	108	93	76	75
	Male at non-manager level	KRW million	38	41	69	61	35	45
	Female executive	KRW million	374	288	0	0	288	N/A
	Female at manager level (or higher)	KRW million	66	67	97	88	58	83
	Female at non-manager level	KRW million	34	37	43	53	35	35
Ratio of total compensation for female to male[3]	Executive	%	204.7	156.4	0	0	165.2	N/A
	Manager level or higher	%	83.4	83.7	89.6	95.3	76.4	111.3
	Non-manager level	%	89.1	90.3	62.5	86.5	99.6	77.8
Average total annual compensation of all employees		KRW million	-[4]	-[4]	86	81	50.2	65.0
Highest-paid individual[5]	Total compensation	KRW million	232	275	353	470	260	333
	Year-on-year increase in total compensation[1]	%	-12.2	16.9	3.9	41.9	-12.8	-37.6
Employees (excluding highest-paid individual)	Average total annual compensation	KRW million	57	53	85	80	44	62
	Annual total compensation median	KRW million	52	49	88	80	38	74
	Year-on-year increase in median total annual compensation[1]	%	11.4	2.8	6.0	1.3	-1.5	-16.7
Ratio of the total annual compensation for the organization's highest-paid individual to the median total annual compensation for all employees (excluding the highest-paid individual)		Time	4.5	5.6	4.0	5.9	6.8	4.5

1. Changes were made to the year-on-year increase rates for the highest-paid individual and the year-on-year increase in median total annual compensation for employees excluding the highest paid for 2022 and 2023 due to calculation errors.
2. The average annual total compensation of subsidiaries is a weighted average; the 2023 arithmetic mean was corrected to reflect a weighted average.
3. For subsidiaries, compensation by employee category was calculated by summing male and female total compensation by corporation (excluding corporations with no female employees). Calculation errors were identified and corrected in the compensation ratio by employee category for 2022 and 2023.
4. Some data from subsidiaries were omitted due to missing or erroneous information and thus excluded from calculation.
5. The highest-paid individual was determined based on employees who were employed as of the end of December.

Minimum Notice Periods Regarding Operational Changes

If there is a legal standard such as a notice of dismissal, it is notified in advance in accordance with the stipulated timeframes.

Social Performance of Hyosung Corporation's Subsidiaries

Maternity Leave and Parental Leave

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
Maternity leave (Male)	Number of employees on maternity leave	Person	71	72	88	2	11	75	0
	Return rate after maternity leave	%	100.0	100.0	55.6	100	100	42.9	N/A
Maternity leave (Female)	Number of employees on maternity leave	Person	43	35	31	0	8	22	1
	Return rate after maternity leave	%	97.7	93.9	64.6	100	100	46.9	100.0
Parental leave (Male)	Number of employees entitled to parental leave	Person	1,662	1,499[2]	1,415	72	101	1,086	156
	Number of employees on parental leave	Person	54	30	22	2	6	14	0
	Number of employees returning to work after parental leave	Person	49	34	12	3	3	6	0
	Number of employees with over 12 months of service after parental leave[6]	Person	42	25	31	7	15	9	0
	Return rate after parental leave[1]	%	94.2	88.2	54.5	75.0	100	42.9	N/A
	Ratio of employees retained 12 months after returning to work in the previous reporting period following a period of parental leave	%	85.7	51.0	91.2	87.5	100	81.8	N/A
Parental leave (Female)	Number of employees entitled to parental leave	Person	1,072	947 [2]	973	6	17	938	12.0
	Number of employees on parental leave	Person	38	25	17	0	8	8	1
	Number of employees returning to work after parental leave	Person	36	16	16	1	8	6	1
	Number of employees with over 12 months of service after parental leave	Person	35	16	9	1	3	5	0
	Return rate after parental leave[1]	%	94.7	64.0	94.1	100	100	75.0	100.0
	Ratio of employees retained 12 months after returning to work in the previous reporting	%	97.2	44.4	56.3	100	75.0	50.0	0.0

1. Due to calculation errors, the return rate after parental leave for 2022 and 2023 have been corrected.
2. Adjustments were made to the number of employees entitled to parental leave (both male and female) in 2023 due to changes in employee counts.

Labor Union and Retirement Pension[3]

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.[5]	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
Labor Union	Number of employees covered by collective bargaining agreements	Person	1,578	1,418	1,197	0	0	1,197	0
	Ratio of employees covered by collective bargaining agreements among total employees	%	37.0	33.8[4]	29.1	0	0	40.7	0
	Number of union members	Person	1,475	1,298	1,163	0	0	1,163	0
	Rate of union enrollment	%	93.5	91.5	97.2	0	0	97.2	N/A
Retirement pension	Total operation fund for retirement pensions (DB + DC)	KRW million	120,410	122,907	117,572	26,855	48,299	35,295	7,123
	Operation fund for DB pension	KRW million	116,368	120,156	115,666	26,428	47,838	34,277	7,123
	Operation fund for DC pension	KRW million	4,042	2,752	1,907	427	461	1,019	0
	Total number of members	Person	1,906	1,971	1,838	371	616	676	175
	Number of DB pension members	Person	1,681	1,727	1,597	310	558	554	175
	Number of DC pension members	Person	225	244	241	61	58	122	0

3. If the denominator is zero, making ratio calculation impossible, it is reported as "N/A."
4. Adjustments were made to the percentage of employees covered by collective agreements for subsidiaries in 2023 due to changes in total number of employees.
5. Among the subsidiaries, Hyosung TNS Inc. no longer has a labor union due to the factory closure in 2024.

Social Performance of Hyosung Corporation's Subsidiaries

Employee Training[1]

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023[3]	2024	2024	2024	2024	2024
Training participants (cumulative by program)		Person	32,557	76,301	73,871	3,838	9,535	58,427	2,071
Total training expenses		KRW million	1,705	1,826	1,576	259	580	638	100
Total training hours		Hour	180,041	212,421	191,639	15,540	38,615	70,828	66,656
Average training hours per employee (Total training hours/Number of employees)		Hour	42	51	47	42	61	27	381
Average training expenses per employee (Total training expense/Number of employees)		KRW thousand	400	435	383	697	916	240	569
Total training hours per employee by gender[2]	Male	Hour	-	53	48	42	61	36.6	381.8
	Female	Hour	-	39	40	42	62	50.9	369.2
Average training hours per employee by employee category[2]	Executive	Hour	-	152	118	53	37	19.2	305.2
	Manager level or higher	Hour	-	89	77	49	60	25.1	386.9
	Non-manager level	Hour	-	33	33	36	63	27.1	387.1
Number of participants in environmental training		Person	1,298	3,040	2,175	278	460	1,437	0
Number of participants in ethics and anti-corruption training		Person	1,789	3,573	2,434	243	373	1,650	168
Number of participants in fair trade training		Person	1,409	2,812	1,587	243	375	969	0
Number of participants in safety and health training		Person	7,848	8,929	7,429	566	2,382	3,116	1,365
Number of participants in human rights training (e.g., sexual harassment prevention, disability awareness, discrimination prevention, etc.)		Person	7,063	7,576	9,421	1,120	1,785	6,180	336
Number of participants in information security training		Person	2,226	11,706	12,675	561	1,018	10,928	168
Number of participants in sustainability management training		Person	2,660	3,194	3,797	290	737	2,770	0
Number of participants in retirement training		Person	525	538	426	0	0	392	34

1. The aggregation criteria include new employee training, general/professional job training, leadership training, globalization training, and sustainability training for all employees (permanent and temporary). The number of trainees is based on the cumulative number of participants per training program.
2. The average training hours per employee by gender and employee category have been recorded starting in 2023.
3. Missing data in the 2023 figures for total number of training participants (cumulative per training), ethics and anti-corruption training participants, and fair trade training participants have been identified and corrected. Due to the establishment and full-scale operation of the Hyosung Financial System Vina Co., Ltd.'s plant, the number of training participants increased significantly in 2023.

Regular Performance Evaluation and Career Development Reviews

Category		Unit	Total Subsidiaries		Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2023[4]	2024	2024	2024	2024	2024
Number of employees subject to performance evaluation		Person	3,077	3,159	340	556	2,088	175
Performance evaluation rate		%	73.2	76.7	91.6	87.8	71.0	100.0
Performance evaluation and career development review rate by gender	Male	%	80.4	80.3	94.4	89.9	75.0	100.0
	Female	%	68.2	63.1	64.7	80.0	58.1	100.0
Performance evaluation and career development review rate by employee category	Executive	%	100.0	100.0	100	100	100.0	100.0
	Manager level or higher	%	98.4	98.7	100	96.8	99.4	100.0
	Non-manager level	%	69.7	68.3	84.5	73.7	65.9	100.0

4. Due to compilation errors, the number of employees subject to performance evaluation, the evaluation rate, the evaluation rate for females, and the evaluation rate for non-managerial level in 2023 have been corrected.

Social Performance of Hyosung Corporation's Subsidiaries

Suppliers

Category	Unit	Total Subsidiaries		Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2023[3]	2024	2024	2024	2024	2024
Number of suppliers	Supplier	320	332	35	132	165	0
Total purchase from suppliers	KRW million	503,306	522,135	105,001	41,868	375,266	0
Total purchase from local suppliers[1]	KRW million	298,446	208,749	90.313	41,868	76,568	0
Proportion of purchase from local suppliers	%	59.3	40.0	86.0	100	20.4	N/A
Number of key suppliers[2]	Supplier	93	219	115	53	51	0
Total purchase from key suppliers[2]	KRW million	324,057	534,915	138,787	39,761	356,367	0
Total purchase from key local suppliers[2]	KRW million	141,558	228,072	118,380	39,761	69,931	0
Proportion of purchase from key local suppliers[2]	%	43.7	42.6	85.3	100	19.6	N/A
Percentage of key suppliers that committed to the Supplier Code of Conduct[2]	%	100	47.5	0	100	100	N/A
Proportion of key suppliers under contracts with ESG clauses[2]	%	N/A	N/A	N/A	N/A	N/A	N/A

1. Total purchase from local suppliers: It refers to the total purchase with suppliers located in the same country as the business site, excluding imported goods.
2. Starting in 2024, information related to key suppliers is disclosed. Subsidiaries establish their own standards according to their respective circumstances.
3. Figures for 2023 have been revised to exclude subsidiaries that are not manufacturing entities from the aggregation.

Social and Environmental Impact Assessment of the Supply Chain[4]

Category	Unit	Total Subsidiaries[6]		Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2023[7]	2024	2024	2024	2024	2024
Number of new suppliers that underwent social/environmental impact assessments	Supplier	7	13	1	0	12	0
Percentage of new suppliers that underwent social/environmental impact assessments[5]	%	13.5	26.0	100	N/A	24.5	N/A
Number of key suppliers that underwent social/environmental impact assessments	Supplier	24	1	1	0	0	0
Percentage of key suppliers that underwent social/environmental impact assessments	%	25.8	0.5	87.0	0	0	0
Number of key suppliers that underwent on-site due diligence	Supplier	0	0	0	0	0	0
Percentage of key suppliers that underwent on-site due diligence	%	0	0	0	0	0	0
Number of suppliers having practical or/and negative social/environmental impacts	Supplier	0	0	0	0	0	0
Percentage of suppliers that agreed improvement based on the results of social/environmental impact assessments[5]	%	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of suppliers whose contracts were terminated based on the results of social/environmental impact assessments	%	N/A	N/A	N/A	N/A	N/A	N/A

4. Subsidiaries have been aggregating social and environmental impact assessment data for the supply chain starting in 2023.
5. The calculation formula for the percentage of new suppliers that conducted social/environmental impact assessment is: (Number of new suppliers assessed and contracted during the reporting period ÷ Total number of new suppliers contracted during the reporting period) × 100. If there are no new suppliers or no suppliers assessed, making the denominator zero, the percentage cannot be calculated and is therefore reported as "N/A."
6. Starting in 2024, data on social and environmental impact assessments of key suppliers by subsidiaries will be disclosed.
7. The number of key suppliers assessed for social/environmental impact in 2023 by Hyosung GoodSprings, Inc. was omitted and has now been corrected.

Social Performance of Hyosung Corporation's Subsidiaries

Occupational Health and Safety Management System

Category	Unit	Total Subsidiaries		Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2023[1]	2024	2024	2024	2024	2024
Total workers (employees + workers who are not employees)	Person	5,446	4,402	371	732	3,088	211
Number of workers working at business sites where the company's health and safety management system are operational	Person	5,378	4,393	371	732	3,079	211
	%	98.8	99.8	100	100	99.9	100.0
Number of workers working within the systems that undergo regular/irregular audits (or monitoring) of the company's health and safety management system	Person	5,160	4,393	371	732	3,079	211
	%	95.9	100.0	100	100	99.9	100
Number of workers working at business sites subject to customer audits or audits for external certification	Person	4,368	3,565	371	732	2,426	36
	%	81.2	81.2	100	100	78.7	17.1

1. There was an error in compilation, so the number of non-employee workers in 2023 was revised. Accordingly, the total number of employees + non-employee workers was also revised.

Occupational Injuries and Ill-Health

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022[5]	2023[6]	2024	2024	2024	2024	2024
Employees	Number of work-related injuries and ill health	Person	9	60	63	0	0	62[7]	1
	Rate of work-related injuries and ill health[2]	%	0.2	1.4	1.5	0	0	2.1	0.6
	Number of fatalities as a result of work-related injuries	Person	0	0	0	0	0	0	0
	Work-related fatality rate per ten thousand workers[3]	%	0	0	0	0	0	0	0
	Number of cases of work-related injuries and ill health	Case	9	60	63	0	0	62	1
	Lost Time Injury Frequency Rate (LTIFR)[4]	Cases per million hours	1.0	6.8	7.3	0	0	10.1	2.7
Workers who are not employees but whose work and/or workplace is controlled by the organization	Number of work-related injuries and ill health	Person	3	0	0	0	0	0	0
	Rate of work-related injuries and ill health[2]	%	1.9	0	0	0	0	0	0
	Number of fatalities as a result of work-related injuries	Person	0	0	0	0	0	0	0
	Work-related fatality rate per ten thousand workers[3]	%	0	0	0	0	0	0	0
	Number of cases of work-related injuries and ill health	Case	3	0	0	0	0	0	0
	Lost Time Injury Frequency Rate (LTIFR)[4]	Cases per million hours	9.2	0	0	0	0	0	0

2. Rate of work-related injuries and ill health: Number of work-related injuries and ill health ÷ Number of workers × 100
3. Work-related fatality rate per ten thousand workers: Number of fatalities ÷ Number of workers × 10,000
4. Lost Time Injury Frequency Rate (LTIFR): Number of cases of work-related injuries and ill health ÷ Total working hours × 1,000,000
5. The 2022 data for subsidiaries excludes Nautilus Hyosung America Inc. and includes one previously omitted work-related injury and ill health for employees of Hyosung GoodSprings, Inc. A decrease in the number of non-employee workers led to an increase in both the rate of work-related injuries and ill health and LTIFR.
6. The 2023 subsidiary data reflects one previously omitted work-related injury or ill health for employees of Hyosung GoodSprings, Inc.
7. In 2024, the most common work-related ill health among subsidiaries was musculoskeletal disorders.

Safety and Quality Certification

Company	Business Site	PU/Business Division	Safety and Health Certification	Eco-Friendly Certification
Hyosung GoodSprings, Inc.	Headquarters	Industrial pumps	ISO 45001	ISO 9001, ISO 19443
	Changwon	Industrial pumps	ISO 45001	ISO 9001, ISO 19443
Hyosung TNS Inc.	Headquarters	IT	ISO 45001	ISO 9001
Hyosung Financial System Vina Co., Ltd.	Vina	IT	ISO 45001	ISO 9001

Social Performance of Hyosung Corporation's Subsidiaries

Social Contribution

Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023[3]	2024	2024	2024	2024	2024
Social contribution investment	KRW million	361	269	213	4	27	178	4
Number of social contribution programs	Program	32	29	27	5	9	13	0
Number of participating employees[1]	Person	5,421	5,342	6,043	88	4,543	1,412	0
Total volunteer hours[1]	Hour	377	137	134	88	18	28	0
Amount of social value generated[2]	KRW million	57	52	4	2	0	2	0

1. The number of participating employees and total volunteer hours have been recorded starting in 2022.
2. The amount of social value generated for Hyosung Corporation's subsidiaries is based on internal criteria converting the benefits received by beneficiaries.
3. The social contribution investments and number of social contribution programs carried out by Hyosung FMS Inc. in 2023 were previously omitted and have been corrected.

Customer Privacy Protection and Infringement of Local Community Rights

Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023	2024	2024	2024	2024	2024
Breaches of customer privacy	Case	0	0	0	0	0	0	0
Identified leaks, thefts, or losses of customer data	Case	0	0	0	0	0	0	0
Incidents of violations involving the rights of indigenous people	Case	0	0	0	0	0	0	0

Products and Services Subject to Labeling and Safety/Health Evaluations

Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023	2024	2024	2024	2024	2024
Percentage of major products/services that have undergone evaluations related to information disclosure and labeling procedures	%	100	100	100	100	100	100	100
Percentage of major products/services that have undergone evaluations for health and safety impacts	%	100	100	100	100	100	100	100

Environmental Performance of Hyosung Corporation's Subsidiaries

Energy Consumption

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
Direct energy consumption	Diesel	TJ	8.58	7.05	13.10	1.02	0.91	11.06	0.11
	Kerosene	TJ	0.11	0.15	0.05	0	0.05	0	0
	LNG	TJ	26.25	26.05	26.50	4.32	0.63	0.79	20.75
	NG	TJ	297.43	312.12	2.40	0	0	2.40	0
	Gasoline	TJ	134.07	149.94	139.83	0.25	0.62	137.74	1.22
	Propane	TJ	0.01	0.01	0	0	0	0	0
	LPG	TJ	3.46	3.83	0.67	0.67	0	0	0
	Subtotal	**TJ**	**469.90**	**499.13**	**182.54**	**6.26**	**2.22**	**151.98**	**22.07**
Indirect energy consumption	Electricity[1]	TJ	376.58	369.80	190.78	70.97	1.72	32.87	85.22
	Steam	TJ	0.02	0.42	4.70	0	0	4.70	0
	Subtotal	**TJ**	**376.60**	**370.22**	**195.48**	**70.97**	**1.72**	**37.58**	**85.22**
Total energy consumption		**TJ**	**846.50**	**869.35**	**378.02**	**77.23**	**3.94**	**189.56**	**107.29**
Energy intensity[2] (Total energy consumption/sales)		TJ/KRW 100 million	0.02	0.02	0.01	0.03	0.00	0.01	0.04
Separate sales		KRW 100 million	36,424	36,663	28,578	2,363	7,548	16,134	2,533
Renewable energy consumption	Purchase (PPA / Green Premium / REC)	TJ	0	0	0	0	0	0	0
	Self-generated	TJ	0	0	0	0	0	0	0
	Subtotal	**TJ**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

1. Conversion factors for electricity energy consumption: 9.6 TJ/GWh for domestic usage (based on national specific calorific values and emission factors by fuel type), 3.6 TJ/GWh for overseas usage
2. The intensity was calculated based on separate sales.

GHG Emissions[3]

Category		Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
Direct GHG emissions (Scope 1)	Stationary combustion	tCO_2eq	16,851	17,645	1,493	220	36	184	1,053
	Mobile combustion		9,900	10,865	10,431	128	106	10,107	89
	Waste disposal		0	0	0	0	0	0	0
	Other emissions		0.3	0.4	0.2	0	0	0	0.2
	Subtotal	**tCO_2eq**	**26,751**	**28,510**	**11,923**	**348**	**142**	**10,291**	**1,143**
Indirect GHG emissions (Scope 2)	Electricity	tCO_2eq	28,673	28,518	10,805	3,396	82	3,248	4,078
	Steam		1	15	164	0	0	164	0
	Subtotal	**tCO_2eq**	**28,674**	**28,533**	**10,969**	**3,396**	**82**	**3,413**	**4,078**
Total GHG emissions[4] (Scope 1 & 2)		tCO_2eq	55,426	57,042	22,893	3,744	224	13,704	5,221
GHG emissions intensity[5]	Scope 1	tCO2eq/KRW 100 million	0.7	0.8	0.4	0.1	0.0	0.6	0.5
	Scope 2		0.8	0.8	0.4	1.4	0.0	0.2	1.6
	Subtotal	**tCO2eq/KRW 100 million**	**1.5**	**1.6**	**0.8**	**1.6**	**0.0**	**0.8**	**2.1**
Separate sales		KRW 100 million	36,424	36,663	28,578	2,363	7,548	16,134	2,533

3. This information submitted for the year is based on the quantities of emission allowances certified for submission under the Greenhouse Gas Emissions Trading System reporting and verification guidelines, and the Ministry of Environment's conformity assessment.
4. Only CO_2, CH_4, and N_2O are emitted as greenhouse gases. The total emission figure shown above may differ from that disclosed in the business report due to rounding of decimals values at each business site.
5. The intensity was calculated based on separate sales.

Environmental Performance of Hyosung Corporation's Subsidiaries

Air Pollutant Emissions[1]

Category	Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
General air pollutants	Nitrogen Oxides (NOx)	Kg	0	0	0	0	N/A	N/A	0
	Sulfur Oxides (SOx)	Kg	0	0	0	0	N/A	N/A	0
	Total Hydrocarbons (THC)	Kg	3,743	3,233	3.069	2,218	N/A	N/A	852
	Total Suspended Particles (TSP)	Kg	465	241	293	85	N/A	N/A	208
	Zinc and its compounds	Kg	2.2	0	0	0	N/A	N/A	0
Hazardous Air Pollutants (HAPs)	Hydrogen Chloride (HCl), etc.	Kg	5.92	5.25	0.14	0.14	N/A	N/A	0
Volatile Organic Compounds (VOCs)	Ethylbenzene, Formaldehyde	Kg	4.52	5.21	0.11	0.11	N/A	N/A	0
Ozone-Depleting Substances (ODS)[2]	CFC(R-11)	Kg	0	0	0	0	N/A	N/A	0
	HCFC(R-123)	Kg	0	0	0	0	N/A	N/A	0
	HCFC(R-22)	Kg	0	0	0	0	N/A	N/A	0

1. Hyosung Corporation's subsidiaries do not emit Persistent Organic Pollutants (POPs). Volatile Organic Compounds (VOCs) are also classified as Hazardous Air Pollutants (HAPs) and have therefore been included under both categories.
2. For Ozone-Depleting Substances (ODS), the amount purchased is recorded as the amount emitted.

Water Risks[3]

Category		Korea		China	Vietnam	USA	Russia
		Seoul/Changwon/Gumi[7]	Busan[8]	Huizhou[9]	Bac Ninh[10]	Texas[11]	Moscow[12]
Water risk[4]		Low to medium	Medium to high	Medium to high	Very High	Low to medium	High
Water stress[5]	Baseline	Medium to high	Medium to high	Low to medium	Medium to high	High	Very High
	2030 Outlook[6]	Medium to high	Medium to high	Medium to high	High	High	Very High

3. The Water Resource Risk analysis tool (Aqueduct 4.0) from the World Resources Institute (WRI) was used.
4. A comprehensive indicator that aggregates quantity, quality, regulatory, and reputational risk indicators.
5. Water stress: Total demand/available surface water and groundwater supply (low <10%, low to medium 10-20%, medium to high 20-40%, high 40-80%, Extremely High >80%)
6. BAU (Business as usual) scenario
7. Seoul: Headquarters offices of Hyosung GoodSprings, Inc., Hyosung TNS Inc., Forza Motors Korea Corp., etc., and some Forza Motors Korea Corp. auto repair shops (Seoul/Gyeonggi area), Changwon: Production plant of Hyosung GoodSprings, Inc., Gumi: Production plant of Hyosung TNS Inc.
8. Busan automobile repair shop of Forza Motors Korea Corp.
9. Hyosung Financial System (Huizhou) Co., Ltd. office
10. Hyosung Financial System Vina Co., Ltd. production plant
11. Nautilus Hyosung America Inc. Office
12. Hyosung TNS RUS L.L.C. Russia office

Environmental Performance of Hyosung Corporation's Subsidiaries

Water Management[1]

Category	Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022[2]	2023[3]	2024[5]	2024	2024	2024	2024
Water consumption by withdrawal source	Municipal water	Ton	263,624	278,658	206,448	1,143	7,139	54,797	143,369
	Groundwater[4]	Ton	816	779	807	0	807	0	0
	Industrial water	Ton	73,548	81,089	57,085	57,085	0	0	0
Total water consumption		Ton	337,988	360,526	264,340	58,228	7,946	54,797	143,369
Water consumption intensity (Total water consumption/sales)		Ton/KRW 100 million	13.6	13.9	13.1	24.6	1.1	7.1	56.6
Separate sales		KRW 100 million	24,798	25,885	20,120	2,363	7,548	7,677	2,533
Total reused water		Ton	0	0	0	0	0	0	0

1. As water discharge is not tracked separately, water discharge is assumed to be equal to water intake and consumption.
2. In 2022, municipal water consumption, total water consumption, and water consumption intensity were corrected due to duplicate counts for Hyosung FMS Inc.
3. In 2022 and 2023, duplicate entries for Hyosung FMS Inc. were corrected, and additional municipal water consumption by Atmplus Inc. was identified. As a result, municipal water consumption, total water consumption, and water consumption intensity figures have been revised.
4. In 2022 and 2023, groundwater consumption for Hyosung TNS Inc. was also added, leading to revised values for groundwater, total water consumption, and water consumption intensity.
5. Subsidiaries not included in the data aggregation (Nautilus Hyosung America Inc., Hyosung Financial System (Huizhou) Co., Ltd., Hyosung Solutions S. de R.L. de C.V. Hyosung TNS RUS L.L.C.) are office locations with negligible usage, considered of low importance, and therefore excluded due to difficulty in aggregating water consumption. These subsidiaries were also excluded from the sum of separate sales and water consumption intensity calculations.

Treatment of Water and Effluents

Category	Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
Wastewater discharge by destination	Wastewater treatment	Ton	67,385	65,968	42,830	222	N/A	42,249	359
	Direct discharge into rivers	Ton	32,613	46,650	26,259	26,259	N/A	0	0
	Outsourced treatment	Ton	0	0	0	0	N/A	0	0
Total wastewater discharge		Ton	99,998	112,618	69,089	26,481	N/A	42,249	359
Biochemical Oxygen Demand (BOD)		Ton	0.03	0.03	0.02	0.02	N/A	0.00	N/A
Total Organic Carbon (TOC)		Ton	0.05	2.20	1.20	0.03	N/A	1.16	N/A
Suspended Solids (SS)		Ton	1.35	2.39	0.05	0.05	N/A	0.00	N/A
Total Nitrogen (T-N)		Ton	0.00	2.07	1.06	0.04	N/A	1.02	N/A
Total Phosphorus (T-P)		Ton	0.07	0.11	0.00	0.00	N/A	0.00	N/A

Environmental Performance of Hyosung Corporation's Subsidiaries

Waste Generation and Disposal[1]

Category		Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
				2022[3]	2023[3]	2024[4]	2024	2024	2024	2024
Generation	Total waste generated[2]		Ton	-	-	2,102	448	239	1,332	90
Disposal	Non-hazardous waste (ordinary waste) - Outsourced treatment	Recycling	Ton	666	919	1,254	392	115	729	17
		Incineration	Ton	247	338	488	3	124	345	17
		Landfill	Ton	1,965	2,348	4	4.0	0	0	0.2
		Other	Ton	2	4	5	0	0	5	0
		Subtotal	**Ton**	**2,880**	**3,608**	**1,751**	**399**	**239**	**1,079**	**35**
	Hazardous waste (designated waste) - Outsourced treatment	Recycling	Ton	56	49	45	17	0	0	28
		Incineration	Ton	155	236	198	32.5	0.1	146	19
		Landfill	Ton	0	2	0	0	0	0	0
		Other	Ton	0	1	0	0	0	0	0
		Subtotal	**Ton**	**211**	**288**	**243**	**49**	**0.1**	**146**	**48**
	Construction waste - Outsourced treatment	Recycling	Ton	0	0	0	0	0	0	0
		Incineration	Ton	19	213	108	0	0	108	0
		Landfill	Ton	0	0	0	0	0	0	0
		Other	Ton	0	0	0	0	0	0	0
		Subtotal	**Ton**	**19**	**213**	**108**	**0**	**0**	**108**	**0**
	Total waste treated		**Ton**	**3,110**	**4,110**	**2,102**	**448**	**239**	**1,332**	**82**
	Total waste recycled		Ton	722	968	1,299	409	115	729	45
	Total ratio of waste recycled		%	23.2	23.6	61.8	91.3	48.2	54.7	55.2

1. The primary waste type generated from Hyosung Corporation's subsidiaries is wooden pallets.
2. Total waste generated will be disclosed starting from the 2024 Sustainability Report. Subsidiaries did not report data for 2022 and 2023.
3. The 2022 and 2023 figures have been revised due to the addition of subsidiary data, categorization changes, and error corrections.
4. Subsidiaries not included in the data aggregation (Nautilus Hyosung America Inc., Hyosung Financial System (Huizhou) Co., Ltd., Hyosung Solutions S. de R.L. de C.V. Atmplus Inc. Hyosung TNS RUS L.L.C.) are office locations with negligible usage, considered of low importance, and therefore excluded due to difficulties in aggregating waste generation and disposal volumes.

Biodiversity within the Areas Affected by Business Sites[5]

Country	Region	Characteristics of the Business Site	Physical Risk	Reputational Risk	Risk Indicators of the Organization Among Physical Risks			Endangered Species (IUCN Red List[7])				Protected Areas	
					Ecosystem Regulatory Services[6]		Biodiversity Pressure	Tota	CR (Critically Endangered)	EN (Endangered)	VU (Vulnerable)	KBA[8]	PA[9]
					Heat Wave	Tropical Cyclone (Typhoon)	Pollutant Emissions						
Korea	Seoul area	8 offices	2.5	2.5	3.5	4.5	2.88	80	4	31	45	11	136
		4 automobile repair shops	3.15	2.94	3.5	4.5	2.38	30	0	11	19	9	136
	Changwon	Production	3.4	2.62	3	4.5	4.12	97	9	34	54	3	126
	Gumi	Production	2.3	2.56	3	4.5	4.12	23	0	9	14	1	82
	Busan	2 automobile repair shops	3.15	3.5	3.5	4.5	2.12	99	8	39	52	2	73
China	Huizhou	Office	3.25	2.62	4	4	2.65	56	10	12	34	1	0
Vietnam	Bac Ninh	Production	2.56	2.55	4	4.5	4.25	52	12	11	29	1	4
USA	Texas	Office	2.5	2.5	4	3	2.12	16	0	5	11	0	52
Russia	Moscow	2 offices	2.5	2.58	3	2.5	2.12	33	4	6	23	0	137

5. The impacts were identified using the WWF (World Wide Fund for Nature) Biodiversity Risk Filter.
6. Ecosystem Regulating Services: Ecosystem services refer to the goods and benefits that humans receive directly or indirectly from ecosystem functions. Among these, regulating services are those that maintain and regulate environmental balance through the various interactions among ecosystem components.
7. Based on the endangered species list published by the International Union for Conservation of Nature (IUCN), species classified as Critically Endangered (CR), Endangered (EN), and Vulnerable (VU) within a 25 km radius of the business sites were counted.
8. These are areas designated by the International Union for Conservation of Nature (IUCN) and the KBA Secretariat as contributing significantly to global biodiversity conservation. Regions located within a 50 km radius of the business sites were included in the count.
9. This refers to areas designated and managed by the International Union for Conservation of Nature (IUCN) to ensure the long-term conservation of biodiversity, natural, and cultural resources, and includes areas within a 50 km radius.

Environmental Performance of Hyosung Corporation's Subsidiaries

Raw Material Consumption and Renewable/Recycled Input Material Amounts

Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023	2024	2024	2024	2024	2024
Total raw material consumption[1]	Ton	42,303	57,463	31,648	2,632	2,676	26,340	N/A
Renewable material consumption[2]	Ton	1,619	1,185	668	0	184	484	N/A
Recycled input material consumption[3]	Ton	0	0	0	0	0	0	N/A
Percentage of recycled input material consumption	%	0	0	0	0	0	0	N/A

1. Total raw material consumption includes both renewable materials and recycled input materials.
2. Renewable materials refer to substances rapidly replenished by ecological or agricultural processes, such as bamboo or hemp fibers and bio-chips.
3. Recycled input materials are those processed through artificial recycling, such as recycled chips.

Sold/Reclaimed Products and their Packaging Materials[4]

Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.[6]	Hyosung TNS Inc.	Subsidiaries of Hyosung TNS[7]	Other
		2022	2023[6]	2024	2024	2024	2024	2024
Total amount of products sold[5]	Ton	40,208	57,553	59,705	N/A	2,660	57,045	0
Total amount of packaging materials sold	Ton	161	203	0	N/A	N/A	0	N/A
Total amount of reclaimed products	Ton	220	279	353	N/A	353	0	N/A
Total amount of reclaimed packaging materials	Ton	0	0	0	N/A	N/A	0	N/A
Percentage of reclaimed products and packaging materials	%	0.5	0.5	0.6	N/A	13.3	0	N/A

4. For products managed by area, weights were calculated using the unit weight of representative products, and packaging materials were only aggregated for items managed by weight (e.g., paper cores, pallets). The type of reclaimed packaging material is pallets.
5. From 2024 onward, unit weight conversions for representative products distinguish between roll carpets and tile carpets, leading to a reduction in the total weight of products sold in 2022 and 2023.
6. Among the subsidiaries, Hyosung GoodSprings, Inc. was not included in the aggregation due to insufficient calculation methods.
7. Hyosung Financial System (Huizhou) Co., Ltd. was converted into a sales corporation in 2023 and began aggregating sales and reclaimed data in 2024. Previously missing data was included, resulting in an increase in the 2023 figures.

Environmental Management Certifications & Eco-Friendly Certifications

Company	Business Site	PU/Business Division	Environmental Management	Hazardous Substance Process Management	Eco-Friendly Certification
Gongdeok Gyeongwoo Development Corporation	Headquarters	-	-	-	Building Energy Efficiency Grade 1+
Hyosung GoodSprings, Inc.	Headquarters/Changwon	Industrial pumps	ISO 14001	-	-
Hyosung TNS Inc.	Headquarters	IT	ISO 14001	IECQ QC 080000 HSPM[8]	-
Hyosung Financial System Vina Co., Ltd.	Vina	IT	ISO 14001	IECQ QC 080000 HSPM[8]	-

8. Hyosung TNS Inc. has a valid IECQ QC 080000 HSPM (International Electrotechnical Commission Quality Assessment System for Electronic Components – Hazardous Substance Process Management) certification for its headquarter and Gumi plant.

Chemical Substances Management

Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023	2024[9]	2024	2024	2024	2024
Hazardous chemicals consumption	Ton	25.5	18.8	0	0	N/A	N/A	N/A
Hazardous chemicals consumption intensity	Ton/KRW 100 million	0.001	0.001	0	0	N/A	N/A	N/A
Separate sales	KRW 100 million	38,621	36,663	28,578	2,363	N/A	N/A	N/A
Chemical substance emissions	Ton	16.5	1.9	1.7	1.7	N/A	N/A	N/A

9. There is no usage of hazardous chemicals reported, as the subsidiaries that previously used them are no longer included in the reporting scope.

Environmental Performance of Hyosung Corporation's Subsidiaries

Environmentally Friendly Investment

Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023	2024	2024	2024	2024	2024
Environmentally friendly research cost	KRW million	0	0	0	0	0	0	0
Environmentally friendly equipment cost[1]	KRW million	0	0	0	0	0	0	0

1. This includes investments in equipment for manufacturing environmentally friendly products, equipment for removing or reducing environmental pollution, and equipment for recycling and circular economy purposes. These investments are aggregated in accordance with Article 2 of the Act on the Promotion of the Conversion into Environment-Friendly Industrial Structure.

Environmentally Friendly Products and Services Sales and Purchases[2]

Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
		2022	2023	2024	2024	2024	2024	2024
Sales of environmentally friendly products and services	KRW million	3,483	1,974	3,037	3,037	0	0	0
Purchases of environmentally friendly products and services	KRW million	7,297	9,310	9,990	9,990	0	0	0

2. According to K-Taxonomy (The Korean Green Taxonomy), the following products and services are defined and aggregated as environmentally friendly:
   - Products and installation services with higher energy efficiency than existing products, such as LED lighting and high-efficiency certified equipment.
   - Products with a lower carbon footprint than existing products, such as recycled chips and biochips.
   - Products that emit fewer hazardous chemicals or environmental pollutants compared to existing products.

Environmentally Friendly Vehicles[3]

Category	Detailed Category	Unit	Total Subsidiaries			Hyosung GoodSprings, Inc.	Hyosung TNS Inc.	Hyosung TNS's Subsidiaries	Other
			2022	2023	2024	2024	2024	2024	2024
On-road vehicles[4]	Electric vehicles	Car	3	3	0	0	0	0	0
	Hydrogen fuel cell electric vehicles	Car	0	0	0	0	0	0	0
	Solar-powered vehicles	Car	0	0	0	0	0	0	0
Off-road vehicles[5]	Electric vehicles	Car	31	31	37	24	5	8	0
	Hydrogen fuel cell electric vehicles	Car	0	0	0	0	0	0	0
	Solar-powered vehicles	Car	0	0	0	0	0	0	0
Total number of company vehicles[6]		Car	1,099	1,035	1,101	50	18	1,011	22
Ratio of environmentally friendly vehicles owned[6]		%	3.1	3.3	3.4	48.0	27.8	0.8	0

3. The classification was applied according to the definitions in Article 2 of the Act on the Promotion of Development and Distribution of Environment-Friendly Motor Vehicles (also known as the Environment-Friendly Motor Vehicles Act).
4. On-road vehicles: Passenger cars, vans, trucks, special-purpose vehicles, and two-wheeled vehicles (excluding electric bicycles)
5. Off-road vehicles: Includes vehicles not defined in the regulation such as construction and agricultural machinery (e.g., forklifts, tool carts, and other carts used at business sites)
6. The number of vehicles owned by Nautilus Hyosung America Inc. in 2022 and 2023 was previously omitted and has now been corrected. Accordingly, the ratio of environmentally friendly vehicles has also been updated.

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GRI Standards Index 87
TCFD 92

Appendix

Third-Party Assurance Statement

INDEPENDENT ASSURANCE OPINION STATEMENT

To: The Stakeholders HYOSUNG CORPORATION

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the "Assurer") was requested to verify the 2024 HYOSUNG Sustainability Report (hereinafter referred to as the "Report"). The Assurer is independent of the HYOSUNG and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the HYOSUNG report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the HYOSUNG and the assurance was carried out under the assumption that presented the information and data were complete and accurate.
HYOSUNG is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to HYOSUNG only.
The Assurer is responsible for providing HYOSUNG management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of HYOSUNG. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than HYOSUNG in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with HYOSUNG includes the following:
- Reporting contents during the period from January 1st to December 31st 2024 included in the report, some data included the May of 2025.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

The following contents were not included in the scope of assurance.
- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance levels and types are as follows;
- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by HYOSUNG.

[Universal Standards]
2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]
201-1~4, 202-1~2, 203-1~2, 204-1, 205-1~3, 206-1, 207-4, 301-1~3, 302-1, 302-3~4, 303-2~5, 304-1~4, 305-1~2, 305-4~7, 306-3~5, 308-1~2, 401-1, 401-3, 403-1~10, 404-1~3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 411-1, 413-1, 414-1~2, 416-1~2, 417-1~3, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;
- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the HYOSUNG HQ to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with HYOSUNG. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurer was carried out by a team of sustainability report assurors in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that HYOSUNG's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.
On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environmental performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared with reference to the GRI Standards. (Reporting with reference to the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

HYOSUNG defined customers, employees, business partners, shareholders/investors and local communities as Key Stakeholder Groups. In order to collect opinions by each stakeholder group in the context of sustainability, operated the stakeholder engagement process. HYOSUNG conducted a review of the stakeholder engagement process at the Steering Committee in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. HYOSUNG disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

HYOSUNG implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, HYOSUNG conducted the analysis of global sustainability disclosure and evaluation standards, and conducted the analysis to derive the impact and financial materiality. HYOSUNG derived 4 material topics through the process, and disclosed GRI topic standards disclosures related to material topics in the Report.

Responsiveness: Responding to material sustainability topics and related impacts

HYOSUNG operated a management process for material topics in the context of sustainability derived from the materiality assessment. HYOSUNG established mid- to long-term sustainability plans and goals according to the management methodology established to effectively reflect the expectations of key stakeholders. HYOSUNG disclosed the process including policy, indicator, activity and response performance on material topics in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

HYOSUNG identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material topics reported. HYOSUNG established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards, the following disclourse related Economic, Social and Enviromental were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic standards: 201-2, 202-1~2, 203-1~2, 204-1, 205-1~3, 206-1, 301-1~3, 302-1, 302-3~4, 303-2~5, 304- 1~4, 305-1~2, 305-4~7, 306-3~5, 308-1~2, 401-1, 401-3, 403-1~10, 404-1~3, 405-1~2, 413-1, 414-1~2

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance; Considering the industry and business characteristics of HYOSUNG,

- It may be helpful to advance the sustainability management system by disclosing the company-wide Hyosung Group's mid- to long-term sustainability strategies and detailed challenges, and disclosing details and timelines on key sustainability impacts and respond actions.
- It may be helpful to advance the sustainability management system by identifying the boundaries of a value chain based on the importance criteria of a major business segment and identifying the sustainability impact of that value chain criteria.
- It may be helpful to advance the sustainability management system by advancing the sustainability performance indicator management system and internal control procedures, including those subject to consolidation criteria.

GRI-reporting

HYOSUNG provided us with their self declaration of compliance within GRI Standards (with reference to). Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared with reference to the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by HYOSUNG. The sector standard was not applied.

Issue Date: June 16, 2025
For and on behalf of BSI (British Standards Institution):
BSI representative

Jungwoo Lee
Lead Assurer, LCSAP

Seonghwan Lim
Managing Director of BSI Korea

AA1000 Licensed Report 000-4/V3-HEQKP

GRI Standards Index

GRI 1: Foundation 2021

Statement of Use Hyosung Corporation has prepared the "2024 Hyosung Sustainability Report," which covers sustainability performance from January 1, 2024, to December 31, 2024, with reference to the GRI Standards. No applicable GRI sector standards were applied to this report.

GRI 1 Used GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

Topic	Disclosure		Report Page	Notes
The organization and its reporting practices	2-1	Organizational details	6, 7, 8	
	2-2	Entities included in the organization's sustainability reporting	2, 51	
	2-3	Reporting period, frequency and contact point	2	
	2-4	Restatements of information	51-56, 58-61, 69-77, 80	
	2-5	External assurance	85	
Activities and workers	2-6	Activities, value chain and other business relationships	6, 7, 8, Business report p. 33	
	2-7	Employees	53	
	2-8	Workers who are not employees	53	
Governance	2-9	Governance structure and composition	9, 41, 42	
	2-10	Nomination and selection of the highest governance body	41-42	
	2-11	Chair of the highest governance body	41-42, Business report p. 460	
	2-12	Role of the highest governance body in overseeing the management of impacts	9	
	2-13	Delegation of responsibility for managing impacts	9	
	2-14	Role of the highest governance body in sustainability reporting	9, 13	
	2-15	Conflicts of interest	41, Rules for BoD Operation on company website	
	2-16	Communication of critical concerns	9, 41, 42	
	2-17	Collective knowledge of the highest governance body	41	
	2-18	Evaluation of the performance of the highest governance body	Information unavailable	No board evaluation conducted for outside directors
	2-19	Remuneration policies	Business report p. 483	
	2-20	Process to determine remuneration	42, Charter of Corporate Governance Article 11 (on website)	
	2-21	Annual total compensation ratio	54	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	5	
	2-23	Policy commitments	ESG policy (on website)	
	2-24	Embedding policy commitments	9, ESG policy (on website)	
	2-25	Processes to remediate negative impacts	43-44	
	2-26	Mechanisms for seeking advice and raising concerns	35, 45	
	2-27	Compliance with laws and regulations	52, Business report pp. 514-522	
	2-28	Membership associations	18, 52	
Stakeholder engagement	2-29	Approach to stakeholder engagement	12	
	2-30	Collective bargaining agreements	54	

GRI Standards Index

GRI 3: Material Topics 2021

Topic	Disclosure		Report Page	Notes
Material Topics				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	13	
	3-2	List of material topics	13	
Material Topic 1. Response to Climate Change				
GRI 3: Material Topics 2021	3-3	Management of material topics	14, 16-20	
GRI 201: Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	17	
GRI 302: Energy	302-1	Energy consumption within the organization	57, 66 (Anyang Plant), 78 (Subsidiaries)	
	302-3	Energy intensity	57, 66 (Anyang Plant), 78 (Subsidiaries)	
	302-4	Reduction of energy consumption	58, 67 (Anyang Plant)	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	57, 66 (Anyang Plant), 78 (Subsidiaries)	
	305-2	Energy indirect (Scope 2) GHG emissions	57, 66 (Anyang Plant), 78 (Subsidiaries)	
	305-4	GHG emissions intensity	57, 66 (Anyang Plant), 78 (Subsidiaries)	
	305-5	Reduction of GHG emissions	58, 67 (Anyang Plant)	
Material Topic 2. Reinforcement of Workplace Health and Safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	14, 21-23	
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	21-23	
	403-2	Hazard identification, risk assessment, and incident investigation	21-23	
	403-3	Occupational health services	21–23, 56, 65 (Anyang Plant), 76 (Subsidiaries)	
	403-4	Worker participation, consultation, and communication on occupational health and safety	21-23	
	403-5	Worker training on occupational health and safety	21-22, 55, 64 (Anyang Plant), 74 (Subsidiaries)	
	403-6	Promotion of worker health	38, Health and safety (on website)	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	22-23	
	403-8	Workers covered by an occupational health and safety management system	56, 65 (Anyang Plant), 76 (Subsidiaries)	
	403-9	Work-related Injuries	56, 65 (Anyang Plant), 76 (Subsidiaries)	
	403-10	Work-related ill health	56, 65 (Anyang Plant), 76 (Subsidiaries)	

GRI Standards Index

GRI 3: Material Topics 2021

Topic	Disclosure		Report Page	Notes
Material Topic 3. Collaborative Partnership with Businesses Across the Value Chain and Communities				
GRI 3: Material Topics 2021	3-3	Management of material topics	14, 24-27	
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	27, 48-49, 56, 77 (Subsidiaries)	
	203-2	Significant indirect economic impacts	24-27, 48-49, 56, 77 (Subsidiaries)	
GRI 304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	27, 60	
	304-2	Significant impacts of activities, products, and services on biodiversity	27, 60	
	304-3	Habitats protected or restored	27	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	60	
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	25, 40, 55, 64 (Anyang Plant), 75 (Subsidiaries)	
	308-2	Negative environmental impacts in the supply chain and actions taken	19, 25-26, 55, 64 (Anyang Plant), 75 (Subsidiaries)	
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	56, 77 (Subsidiaries)	
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	25, 40, 55, 64 (Anyang Plant), 75 (Subsidiaries)	
	414-2	Negative social impacts in the supply chain and actions taken	25-26, 55, 64 (Anyang Plant), 75 (Subsidiaries)	

Material Topic 4. Sustainable Products and Technology Development				
GRI 3: Material Topics 2021	3-3	Management of material topics	14, 28-29	
GRI 301: Materials	301-1	Materials used by weight or volume	60, 68 (Anyang Plant), 82 (Subsidiaries)	
	301-2	Recycled input materials used	60, 68 (Anyang Plant), 82 (Subsidiaries)	
	301-3	Reclaimed products and their packaging materials	60, 68 (Anyang Plant), 82 (Subsidiaries)	

Non-Material Topics

Topic	Disclosure		Report Page	Notes
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	51	
	201-3	Defined benefit plan obligations and other retirement plans	54-55, 63 (Anyang Plant), 73 (Subsidiaries)	
	201-4	Financial assistance received from government	Business report p. 221	
GRI 202: Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	54, 63 (Anyang Plant), 72 (Subsidiaries)	
	202-2	Proportion of senior management hired from the local community	53, 62 (Anyang Plant), 70 (Subsidiaries)	
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	55, 64 (Anyang Plant), 75 (Subsidiaries)	
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	52, 69 (Subsidiaries)	
	205-2	Communication and training about anti-corruption policies and procedures	45, 52, 55, 64 (Anyang Plant), 74 (Subsidiaries)	
	205-3	Confirmed incidents of corruption and actions taken	52, 69 (Subsidiaries)	

GRI Standards Index

GRI 3: Material Topics 2021

Non-Material Topics

Topic		Disclosure	Report Page	Notes
GRI 206: Anti-Competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	52, 69 (Subsidiaries)	
GRI 207: Tax	207-4	Country-by-country reporting	51	
GRI 303: Water and Effluents	303-2	Management of water discharge-related impacts	43, 59, 79 (Subsidiaries)	
	303-3	Water withdrawal	59, 68 (Anyang Plant), 80 (Subsidiaries)	
	303-4	Water discharge	59, 68 (Anyang Plant), 80 (Subsidiaries)	
	303-5	Water consumption	59, 68 (Anyang Plant), 80 (Subsidiaries)	
GRI 305: Emissions	305-6	Emissions of ozone-depleting substances (ODS)	58, 67 (Anyang Plant), 79 (Subsidiaries)	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	31, 58, 67 (Anyang Plant), 79 (Subsidiaries)	
GRI 306: Waste	306-3	Waste generated	59, 68 (Anyang Plant), 81 (Subsidiaries)	
	306-4	Waste diverted from disposal	31, 59–60, 68 (Anyang Plant), 81–82 (Subsidiaries)	
	306-5	Waste directed to disposal	31, 59, 68 (Anyang Plant), 81 (Subsidiaries)	
GRI 401: Employment	401-1	New employee hires and employee turnover	36, 53, 62 (Anyang Plant), 71 (Subsidiaries)	
	401-3	Parental leave	38, 54, 63 (Anyang Plant), 73 (Subsidiaries)	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	55, 64 (Anyang Plant), 74 (Subsidiaries)	
	404-2	Programs for upgrading employee skills and transition assistance programs	36-37	
	404-3	Percentage of employees receiving regular performance and career development reviews	39, 55, 64 (Anyang Plant), 74 (Subsidiaries)	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	53, 62 (Anyang Plant), 70 (Subsidiaries)	
	405-2	Ratio of basic salary and remuneration of women to men	54, 63 (Anyang Plant), 72 (Subsidiaries)	

GRI Standards Index

GRI 3: Material Topics 2021

Non-Material Topics

Topic	Disclosure		Report Page	Notes
GRI406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	52, 69 (Subsidiaries)	
GRI407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	40	
GRI408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	40	
GRI409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	49	
GRI411: Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	56, 77 (Subsidiaries)	
GRI416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	56, 77 (Subsidiaries)	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	52, 69 (Subsidiaries)	
GRI417: Marketing and Labeling	417-1	Requirements for product and service information and labeling	56, 77 (Subsidiaries)	
	417-2	Incidents of non-compliance concerning product and service information and labeling	52, 69 (Subsidiaries)	
	417-3	Incidents of non-compliance concerning marketing communications	52, 69 (Subsidiaries)	
GRI418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	56, 77 (Subsidiaries)	

TCFD

This report discloses climate-related information based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The status of responses to core recommendations is shown in the table below:

TCFD Response Table

Core Recommendations	Recommended Disclosures	Report Page
Governance	Describe the board's oversight of climate-related risks and opportunities.	16
	Describe management's role in assessing and managing climate-related risks and opportunities.	16
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	17
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	17
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	-
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	19, 43, 44
	Describe the organization's processes for managing climate-related risks.	19, 43, 44
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	19, 43, 44
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	20
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	20
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	20