



Hyosung Corporation

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

[Terms of disclosure for corporate questionnaire 2024 - CDP](#)

Contents

| | |
|--|-----------|
| C1. Introduction | 6 |
| (1.1) In which language are you submitting your response? | 6 |
| (1.2) Select the currency used for all financial information disclosed throughout your response. | 6 |
| (1.3) Provide an overview and introduction to your organization..... | 6 |
| (1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years. . | 7 |
| (1.4.1) What is your organization’s annual revenue for the reporting period?..... | 7 |
| (1.5) Provide details on your reporting boundary. | 7 |
| (1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)? | 8 |
| (1.7) Select the countries/areas in which you operate..... | 10 |
| (1.24) Has your organization mapped its value chain? | 10 |
| (1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of? | 11 |
| C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities | 13 |
| (2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities? | 13 |
| (2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts? | 14 |
| (2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities? | 15 |
| (2.2.2) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities. | 15 |
| (2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed? | 20 |
| (2.3) Have you identified priority locations across your value chain?..... | 21 |
| (2.4) How does your organization define substantive effects on your organization? | 22 |
| C3. Disclosure of risks and opportunities | 25 |
| (3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future? | 25 |
| (3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future. | 25 |
| (3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks. | 35 |
| (3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)? | 38 |
| (3.5.1) Select the carbon pricing regulation(s) which impact your operations. | 38 |
| (3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by. | 38 |
| (3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by? | 39 |
| (3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future? | 40 |
| (3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future. | 40 |
| (3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities..... | 47 |

| | |
|---|-----------|
| C4. Governance..... | 50 |
| (4.1) Does your organization have a board of directors or an equivalent governing body? | 50 |
| (4.1.1) Is there board-level oversight of environmental issues within your organization? | 51 |
| (4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board’s oversight of environmental issues..... | 51 |
| (4.2) Does your organization’s board have competency on environmental issues? | 53 |
| (4.3) Is there management-level responsibility for environmental issues within your organization? | 54 |
| (4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals). | 55 |
| (4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets? | 56 |
| (4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals). | 57 |
| (4.6) Does your organization have an environmental policy that addresses environmental issues? | 59 |
| (4.6.1) Provide details of your environmental policies. | 60 |
| (4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives? | 61 |
| (4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?..... | 62 |
| (4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year? | 64 |
| (4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year. | 69 |
| (4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response? | 73 |
| (4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication. | 73 |
| | |
| C5. Business strategy..... | 77 |
| (5.1) Does your organization use scenario analysis to identify environmental outcomes? | 77 |
| (5.1.1) Provide details of the scenarios used in your organization’s scenario analysis. | 77 |
| (5.1.2) Provide details of the outcomes of your organization’s scenario analysis. | 83 |
| (5.2) Does your organization’s strategy include a climate transition plan? | 84 |
| (5.3) Have environmental risks and opportunities affected your strategy and/or financial planning? | 87 |
| (5.3.1) Describe where and how environmental risks and opportunities have affected your strategy. | 87 |
| (5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning. | 91 |
| (5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition? | 93 |
| (5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization’s climate transition..... | 93 |
| (5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization’s taxonomy alignment..... | 95 |
| (5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities? | 96 |
| (5.5.2) Provide details of your organization’s investments in low-carbon R&D for capital goods products and services over the last three years. | 96 |
| (5.10) Does your organization use an internal price on environmental externalities? | 97 |
| (5.10.1) Provide details of your organization’s internal price on carbon..... | 98 |
| (5.11) Do you engage with your value chain on environmental issues? | 101 |
| (5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?..... | 101 |
| (5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues? | 102 |

| | |
|---|-----|
| (5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?..... | 103 |
| (5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place..... | 104 |
| (5.11.7) Provide further details of your organization’s supplier engagement on environmental issues..... | 106 |
| (5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain..... | 108 |
| (5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members..... | 109 |
| (5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?..... | 112 |
| (5.13.1) Specify the CDP Supply Chain members that have prompted your implementation of mutually beneficial environmental initiatives and provide information on the initiatives..... | 112 |

C6. Environmental Performance - Consolidation Approach..... 116

| | |
|--|-----|
| (6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data..... | 116 |
|--|-----|

C7. Environmental performance - Climate Change 118

| | |
|---|-----|
| (7.1) Is this your first year of reporting emissions data to CDP?..... | 118 |
| (7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?..... | 118 |
| (7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?..... | 119 |
| (7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?..... | 119 |
| (7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions..... | 120 |
| (7.3) Describe your organization’s approach to reporting Scope 2 emissions..... | 120 |
| (7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?..... | 121 |
| (7.5) Provide your base year and base year emissions..... | 121 |
| (7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?..... | 122 |
| (7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?..... | 123 |
| (7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions..... | 123 |
| (7.9) Indicate the verification/assurance status that applies to your reported emissions..... | 133 |
| (7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements..... | 134 |
| (7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements..... | 135 |
| (7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements..... | 136 |
| (7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?..... | 138 |
| (7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year..... | 138 |
| (7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?..... | 141 |
| (7.11) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?..... | 141 |
| (7.11.1) For each Scope 3 category calculated in 7.8, specify how your emissions compare to the previous year and identify the reason for any change..... | 141 |
| (7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?..... | 147 |
| (7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?..... | 148 |
| (7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP)..... | 148 |

| | |
|--|-----|
| (7.16) Break down your total gross global Scope 1 and 2 emissions by country/area..... | 151 |
| (7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide. | 151 |
| (7.17.3) Break down your total gross global Scope 1 emissions by business activity..... | 151 |
| (7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide. | 152 |
| (7.20.3) Break down your total gross global Scope 2 emissions by business activity..... | 152 |
| (7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response. | 152 |
| (7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response? | 153 |
| (7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary..... | 153 |
| (7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period..... | 171 |
| (7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?..... | 182 |
| (7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future? | 182 |
| (7.29) What percentage of your total operational spend in the reporting year was on energy?..... | 183 |
| (7.30) Select which energy-related activities your organization has undertaken. | 183 |
| (7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh..... | 184 |
| (7.30.6) Select the applications of your organization's consumption of fuel..... | 187 |
| (7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type..... | 187 |
| (7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year. | 192 |
| (7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year. | 194 |
| (7.34) Does your organization measure the efficiency of any of its products or services? | 195 |
| (7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations..... | 196 |
| (7.52) Provide any additional climate-related metrics relevant to your business. | 198 |
| (7.53) Did you have an emissions target that was active in the reporting year? | 199 |
| (7.53.1) Provide details of your absolute emissions targets and progress made against those targets. | 199 |
| (7.54) Did you have any other climate-related targets that were active in the reporting year? | 204 |
| (7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases..... | 204 |
| (7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings..... | 204 |
| (7.55.2) Provide details on the initiatives implemented in the reporting year in the table below..... | 204 |
| (7.55.3) What methods do you use to drive investment in emissions reduction activities? | 206 |
| (7.71) Does your organization assess the life cycle emissions of any of its products or services? | 207 |
| (7.71.1) Provide details of how your organization assesses the life cycle emissions of its products or services. | 208 |
| (7.73) Are you providing product level data for your organization's goods or services? | 208 |
| (7.73.1) Give the overall percentage of total emissions, for all Scopes, that are covered by these products..... | 208 |
| (7.73.2) Complete the following table for the goods/services for which you want to provide data..... | 209 |
| (7.73.3) Complete the following table with data for lifecycle stages of your goods and/or services..... | 232 |
| (7.73.4) Please detail emissions reduction initiatives completed or planned for this product. | 298 |
| (7.73.5) Have any of the initiatives described in 7.73.4 been driven by requesting CDP Supply Chain members? | 299 |
| (7.73.6) Explain which initiatives have been driven by requesting members. | 299 |
| (7.74) Do you classify any of your existing goods and/or services as low-carbon products? | 300 |
| (7.74.1) Provide details of your products and/or services that you classify as low-carbon products. | 300 |

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?..... 302

C11. Environmental performance - Biodiversity..... 303

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?..... 303
(11.3) Does your organization use biodiversity indicators to monitor performance across its activities? 303
(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year? 304
(11.4.1) Provide details of your organization’s activities in the reporting year located in or near to areas important for biodiversity..... 306

C13. Further information & sign off..... 309

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party? 309
(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used? 309
(13.3) Provide the following information for the person that has signed off (approved) your CDP response. 320

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

KRW

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

Publicly traded organization

(1.3.3) Description of organization

Hyosung was established on November 3, 1966. Hyosung was divided into the operating holding company, Hyosung Corporation (Hereafter Hyosung), which is in charge of group-wide investment plans and management of subsidiaries' stakes, and for companies- Hyosung TNC Corp., Hyosung Heavy Industries Corp., Hyosung Advanced Material Corp. and Hyosung Chemical Corp., whose business area covers textile•trading, heavy industries•construction, industrial materials and chemicals, respectively. On July 1, 2024, Hyosung was divided into a surviving company and a new company, HS Hyosung Corp. and Hyosung Advanced Materials Corp. became an affiliate of HS Hyosung Corp., not Hyosung. The headquarter office is located in Seoul, Korea, and automotive carpets manufacturing plants, R&D centers, and Heavy Industries research centers are in operation in Anyang. Key products such as automotive carpets, BCF yarn business is expected to grow together with the automotive carpets industry. Hyosung has established its Green Management Vision 2030 to become an eco-friendly company that pioneers a better life for mankind. We have established four goals: reducing GHGs emissions, developing eco-friendly technologies and expanding markets, creating an eco-friendly corporate culture and enhancing stakeholder trust. A company-wide climate change response strategy has been established based on specific tasks for each goal. To align with the industrial sector goals of the Nationally Determined Contributions (NDC) announced in 2021, we established the GHG quantitative target of 'Green Management Vision 2030' as a 14.5% reduction (1.2% annual reduction) compared to the level of 2018 emissions. Moreover, in April 2023, we further raised our target to 23.6% reduction by 2030 compared to the 2018 level. On top of that, in the long term, we plan to implement reductions in accordance with the government's 2050 carbon neutral policy. Aiming to achieve the reduction target, Hyosung has annually devised and executed a facility investment plan for energy reduction. It formulates a mid- to long-term reduction plan in all relevant departments, such as planning, research, production, and power generation, followed by

reporting it to the and the Board of Directors (BoD) on a regular basis. For reductions that are challenging to achieve solely through internal energy saving efforts, we make efforts in a long-term perspective through building photovoltaic power generation facilities and purchasing domestic third-party PPA and REC produced with new and renewable energy. In addition, we will further pursue the direction to gradually increase the proportion of the application of new and renewable energy. Our Board of Directors (BoD) and are responsible for deliberating on sustainability-related policies, establishing related goals, managing risks, and developing investment and action plans. Our board includes outside directors from diverse backgrounds and with expertise in various fields, allowing for in-depth discussions and management of climate issues. For example, a former Minister of Environment served as a member of our as a climate change and energy expert until March 2023. In April 2023, a former Minister of Trade, Industry, and Energy joined us as an outside director. In addition, under the CEO manages not only the environment, safety, and health, but to also address issues in Social Responsibility and Governance. The is held once a quarter to select major issues to be presented or reported to the BoD. The consists of the CEO and management representatives and is convened once every half year to establish R&D strategies based on the opinions of related departments such as sales, marketing, product development, and research. As a dedicated organization, Hyosung has the ESG Management Department under the direct control of CEO to establish climate change strategies, manage implementation, and disclose performance. Onsite power management teams and production departments are charged with reducing energy usage and GHG emissions.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

| | End date of reporting year | Alignment of this reporting period with your financial reporting period | Indicate if you are providing emissions data for past reporting years |
|--|----------------------------|---|---|
| | 12/30/2023 | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> No |

[Fixed row]

(1.4.1) What is your organization’s annual revenue for the reporting period?

533219577706

(1.5) Provide details on your reporting boundary.

(1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

Select from:

No

(1.5.2) How does your reporting boundary differ to that used in your financial statement?

Korea's emission trading system requires corporations to set organizational boundaries based on the scope of operational control that corporations have dominant influence. As a company subject to the emission trading system, Hyosung has so far calculated emissions based on operational control and reported them to the state. Hyosung's subsidiary companies are reported to be included in the consolidated financial statements in accounting standards, but it is difficult to say that we has operation control. Therefore, Hyosung has set the operating boundaries for emission trading system as the boundaries for CDP reporting such as governance, strategy, and emission calculation. However, instead of reporting the subsidiary's emissions as not included in Hyosung's emissions, it is reported separately in No. 7.22. For associated companies, No. 7.8 reports greenhouse gas emissions from Scope 3 Category 15 Investment.

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

KR7004800009

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

004800.KS

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

549300I0RPK0L4R21F76

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

68-791-6924

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

Republic of Korea

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

Upstream value chain

Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

- Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

- Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

Climate change is affecting the entire value chain, from the production of raw materials and product usage. Climate change regulation affects not only the workplace, but also the use and disposal of products, and eventually the sales of companies. Hyosung is mapping to primary vendors belonging to the value chain because there is a risk that suppliers may have to be replaced or material costs may rise in order to comply with greenhouse gas regulations or reduce voluntary product carbon footprint. [Type of information collected, tools and methods used for mapping] Hyosung review the registrations of all new partners before allowing them to participate in the bidding for supply chain risk management. In addition to traditional criteria such as quality, delivery, price, and management performance, indicators for compliance with legal requirements for environment and safety, human rights, and labor are used as evaluation criteria when registering a new partner. Hyosung conducts re-evaluations of existing partners and takes differentiated follow-up measures based on the evaluation outcomes. Hyosung also receive information on energy and greenhouse gas emissions from some suppliers to calculate the carbon footprint of the product and to provide them energy diagnosis consulting and high-efficiency facility replacement support to reduce energy use. [Mapping range] 100% of new suppliers of raw and subsidiary materials are evaluated. Existing suppliers with high importance based on the transaction amount are re-evaluated. There are a total of 28 suppliers with a cumulative purchase amount related to production of 95% in 2023, of which 18 companies were re-evaluated, accounting for 66.2% of the total transaction amount related to production. The four Hyosung associated companies that supply major raw materials manage environmental and social indicators according to their policies within the group and disclose information through sustainable management reports. Including associated companies, we manage 90% of the total transaction amount. In the future, we plan to reorganize the supplier management system to map the degree of secondary or higher suppliers.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

- Yes, we have mapped or are currently in the process of mapping plastics in our value chain

(1.24.1.2) Value chain stages covered in mapping

Select all that apply

- Upstream value chain
- Downstream value chain
- End-of-life management

(1.24.1.4) End-of-life management pathways mapped

Select all that apply

- Preparation for reuse
- Recycling
- Incineration
- Landfill

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

1

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Hyosung establishes a company-wide financial plan at the end of each year, and at this time energy use and budget plans are also established and reflected in company-wide financial plan. Next year's plan will be reflected on a monthly basis and the next year on an annual basis. The financial impact of greenhouse gas emissions for the current year is reflected in the following year due to the settlement schedule of the emission trading system. Accordingly, the short term is defined as one to two years.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Hyosung sets guidelines for establishing a five-year mid-term plan. In addition, as the government establishes an allocation plan every five years, companies belonging to the emission trading system also analyze the financial impact of excessive and insufficient emission rights on a five-year basis. Therefore, the mid-term is defined as 3 to 5 years excluding the short-term period.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

No

(2.1.3) To (years)

10

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The company is conducting financial analysis from a long-term perspective to establish business directions and investment decisions. In addition, in terms of climate change, a long-term vision is established every 10 years to establish strategies and action tasks, and long-term financial impact is reviewed. Hyosung established Green Management Vision 2020 in 2011 and Green Management Vision 2030 in 2020. The long term is defined as 6-10 years excluding the period defined as the medium term.

[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

| | Process in place | Dependencies and/or impacts evaluated in this process |
|--|---|---|
| | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> Both dependencies and impacts |

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

| | Process in place | Risks and/or opportunities evaluated in this process | Is this process informed by the dependencies and/or impacts process? |
|--|---|--|--|
| | Select from: <input checked="" type="checkbox"/> Yes | Select from: <input checked="" type="checkbox"/> Both risks and opportunities | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

- Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Dependencies
- Impacts
- Risks
- Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(2.2.2.4) Coverage

Select from:

- Full

(2.2.2.5) Supplier tiers covered

Select all that apply

- Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- Annually

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.10) Integration of risk management process

Select from:

- Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- Site-specific
- National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- Other commercially/publicly available tools, please specify :Encore tool

Enterprise Risk Management

- Enterprise Risk Management
- Internal company methods

International methodologies and standards

- ISO 14001 Environmental Management Standard
- Life Cycle Assessment

Databases

- Nation-specific databases, tools, or standards

Other

- Desk-based research
- Materiality assessment
- Partner and stakeholder consultation/analysis
- Other, please specify :WRI(World Resources Institute) - Aqueduct 4.0, WWF(World Wildlife Fund) - Biodiversity Risk Filter

(2.2.2.13) Risk types and criteria considered

Acute physical

- Cold wave/frost
- Cyclones, hurricanes, typhoons
- Flood (coastal, fluvial, pluvial, ground water)
- Heat waves
- Heavy precipitation (rain, hail, snow/ice)

Chronic physical

- Heat stress
- Water stress
- Sea level rise
- Temperature variability
- Precipitation or hydrological variability
- Changing temperature (air, freshwater, marine water)
- Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

- Carbon pricing mechanisms
- Changes to international law and bilateral agreements
- Changes to national legislation

Market

- Availability and/or increased cost of certified sustainable material
- Availability and/or increased cost of raw materials

- Changing customer behavior
- Uncertainty in the market signals

Reputation

- Increased partner and stakeholder concern and partner and stakeholder negative feedback
- Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

Technology

- Transition to lower emissions technology and products
- Transition to water intensive, low carbon energy sources

Liability

- Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- Customers
- Employees
- Investors
- Suppliers
- Regulators
- Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- No

(2.2.2.16) Further details of process

[Companywide risk identification, evaluation and management process] As suggested by GRI Standards, every year Hyosung analyzes the opinions of internal and external stakeholders, global sustainability issues, global guidelines, sustainability issues in our industries, policies and regulations, etc., to evaluate the actual and

potential impacts of our management activities on the environment, society, and economy and the dependencies of sustainability issues on our management performance, and selects critical sustainability management topics, identifies and evaluates integrated risks and opportunities, and manages them by the. Considering that sustainability issues including climate change are important, Hyosung integrates them into the company-wide risk management process and operates and manages them together. The process for identifying, evaluating, and responding to company-widely possible risks including environmental issues such as climate change is as follows. (Risk Identification) Identify internal and external status through internal and external stakeholder requirements survey Identify risks through SWOT and 3C analysis for each identified issue (Risk assessment) Assess the materiality of each risk by considering the probability and timing of occurrence of each identified risk and the size (severity) of financial and non-financial impacts (Risk responses) Prepare response measures for each risk and carry out response activities (evaluate whether the target of the response plan has been achieved for major risks) Items identified as major risks in the process are reported to the BOD/CEO, and decisions made by the BOD/CEO regarding risk management response are shared and applied throughout the ESG management team. Items that are not judged as major risks are also managed through continuous monitoring. Risk status is updated and managed every year, and the data are reflected in the decision-making process of the (Board) on climate change issues. [Coverage] Hyosung's direct operation site evaluation scope is based on the headquarters, Anyang plant, and country (Korea). Dependence, impact, risk, and opportunities are identified, evaluated, and managed according to the company-wide integration process described above by utilizing our internal data and external tools/data such as the Korea Meteorological Administration's Climate Change Portal's climate change scenarios, ENCORE tool, the World Natural Fund (WWF) biodiversity risk filter, and WRI's Water Resources Risk Analysis Tool (Aqueduct 4.0). The ESG Management Team proposed to the the expansion of the management scope for greenhouse gas emissions beyond the reporting scope of the operational facilities to include subsidiary companies that serve as financial consolidation criteria. This proposal was unanimously approved by the and reported to the board of directors for implementation. As a follow-up to this, the Sustainability Report published in July 2023 included not only GHG emissions from previously reported business sites, but also from 16 subsidiary companies.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

Yes

(2.2.7.2) Description of how interconnections are assessed

As suggested by GRI Standards, every year Hyosung analyzes the opinions of internal and external stakeholders, global sustainability issues, global guidelines, sustainability issues in our industries, policies and regulations, etc., to evaluate the actual and potential impacts of our management activities on the environment, society, and economy and the dependencies of sustainability issues on our management performance, and selects critical sustainability management topics, identifies and evaluates integrated risks and opportunities, and manages them by the. Considering that sustainability issues including climate change are important, Hyosung integrates them into the company-wide risk management process and operates and manages them together. The process for identifying, evaluating, and responding to company-widely possible risks including environmental issues such as climate change is as follows. (Risk Identification) Identify internal and external status through internal and external stakeholder requirements survey Identify risks through SWOT and 3C analysis for each identified issue (Risk assessment)

Assess the materiality of each risk by considering the probability and timing of occurrence of each identified risk and the size (severity) of financial and non-financial impacts (Risk responses) Prepare response measures for each risk and carry out response activities (evaluate whether the target of the response plan has been achieved for major risks) Items identified as major risks in the process are reported to the board of directors/CEO, and decisions made by the board of directors/CEO regarding risk management response are shared and applied throughout the ESG management team. Items that are not judged as major risks are also managed through continuous monitoring. Risk status is updated and managed every year, and the data are reflected in the decision-making process of the (Board) on climate change issues.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

- Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

- Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

- Areas important for biodiversity
- Areas of limited water availability, flooding, and/or poor quality of water
- Areas of importance for ecosystem service provision

Locations with substantive dependencies, impacts, risks, and/or opportunities

- Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

Using WRI (World Resources Institute) Water Risk Filter(Aqueduct 4.0) and WWF (World Wide Fund for Nature) Biodiversity Risk Filter, we have evaluated the biodiversity and water risk of 26 locations, including offices, production facilities, and vehicle repair shops, owned by Hyosung Corporation and its subsidiaries. The

biodiversity risk was classified as below 'medium risk' for both physical and reputational hazards. Water risk for the TNS plant in Vietnam and the GST plant in Mexico was classified as 'extremely high.' We intend to implement risk prevention and management strategies in accordance with these discoveries. The Sustainability Report discloses the area where 26 business sites are located, the characteristics of the business sites, physical risks (including detailed indicators evaluated as dangerous areas for the company, such as 'Extreme Heat', 'Tropical Cyclones', 'Pollution'), reputation risks, and the number of endangered species.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

- Yes, we will be disclosing the list/geospatial map of priority locations

(2.3.6) Provide a list and/or spatial map of priority locations

2.3 priority locations list (Hyosung).pdf

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- Capital expenditures

(2.4.3) Change to indicator

Select from:

- Absolute increase

(2.4.5) Absolute increase/ decrease figure

500000000

(2.4.6) Metrics considered in definition

Select all that apply

- Frequency of effect occurring
- Time horizon over which the effect occurs
- Likelihood of effect occurring

(2.4.7) Application of definition

Hyosung operates “decision-making-delegation regulations” by granting responsibility and authority according to the financial impact of each business case, including responding climate change or utilizing opportunities. Annual budget including physical and transition risks and opportunities caused by climate change is planned every year, and or the are regularly held for activities that require a certain amount or more of budget. If investment in the budget is more than KRW 1 billion and out-of-budget investment is more than KRW 500 million, the CEO or the higher-level authority is responsible to make the investment decision. So Hyosung defines business matters that have a financial impact equal to or greater than KRW 500 million as a significant financial risk. This applies equivalently to all projects including climate change. The criteria for evaluating significant environmental impact are further subdivided in accordance with the ISO14001 environmental management system. When evaluating environmental impact, Hyosung divides the qualitative and quantitative impact into five stages for five items: financial impact, severity, likelihood of occurrence, persistence of impact (range of occurrence time), organizational issues, and legal enforcement, and evaluates the materiality by synthesizing the impact of each items. The representative quantitative impact assessment item is financial impact, which is an amount that integrates capital expenditure, direct and indirect operating costs, and sales, and the highest grade criterion is 'KRW 500 million or more per month'. The evaluation items of qualitative impact include organizational issues and judgment on the implementation of laws and regulations.

Opportunities

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- Revenue

(2.4.3) Change to indicator

Select from:

- Absolute increase

(2.4.5) Absolute increase/ decrease figure

500000000

(2.4.6) Metrics considered in definition

Select all that apply

- Frequency of effect occurring
- Time horizon over which the effect occurs
- Likelihood of effect occurring

(2.4.7) Application of definition

Hyosung operates “decision-making-delegation regulations” by granting responsibility and authority according to the financial impact of each business case, including responding climate change or utilizing opportunities. Annual budget including physical and transition risks and opportunities caused by climate change is planned every year, and or the are regularly held for activities that require a certain amount or more of budget. If investment in the budget is more than KRW 1 billion and out-of-budget investment is more than KRW 500 million, the CEO or the higher-level authority is responsible to make the investment decision. So Hyosung defines business matters that have a financial impact equal to or greater than KRW 500 million as a significant financial risk. This applies equivalently to all projects including climate change. The criteria for evaluating significant environmental impact are further subdivided in accordance with the ISO14001 environmental management system. When evaluating environmental impact, Hyosung divides the qualitative and quantitative impact into five stages for five items: financial impact, severity, likelihood of occurrence, persistence of impact (range of occurrence time), organizational issues, and legal enforcement, and evaluates the materiality by synthesizing the impact of each items. The representative quantitative impact assessment item is financial impact, which is an amount that integrates capital expenditure, direct and indirect operating costs, and sales, and the highest grade criterion is 'KRW 500 million or more per month'. The evaluation items of qualitative impact include organizational issues and judgment on the implementation of laws and regulations.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

| | Environmental risks identified |
|----------------|---|
| Climate change | <i>Select from:</i> <input checked="" type="checkbox"/> Yes, both in direct operations and upstream/downstream value chain |
| Plastics | <i>Select from:</i> <input checked="" type="checkbox"/> Yes, both in direct operations and upstream/downstream value chain |

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- Republic of Korea

(3.1.1.9) Organization-specific description of risk

As a K-ETS target company, Hyosung is implementing the emission trading system for the 3rd phase period (2021-2025), and it was designated as a paid allocation company, and only 85.6% to 86.4% of emission rights were allocated free of charge compared to the previous year's emissions (2017-2019 average). Therefore, if Hyosung emits GHGs as before without reduction, there is a risk of a shortage of emission rights of about 5,000 tCO₂ every year. Recently, the EU raised its reduction goal through ETS and announced an agreement to phase out the free emission allowance allocation by 2034. Accordingly, it is expected that K-ETS will expand emission targets, reduce total allocation credits, and reduce free allocation. In the roadmap for the national 2030 reduction goals, Korea is planning a rapid reduction during the 4th phase period(2026-2030). Considering these domestic and foreign situations, paid allocation ratio will be higher than 10 %, which is the ratio of the 3rd phase period. Based on this expectation, the paid allocation in the 4th phase is expected to be 15 %, the general expectation from industries, or 60 % equivalent to the EU level. So, Hyosung internally analyzes risks to comply with the expectation. The base for allocation of the 4th phase is the average emission from 2022 to 2024. When estimated on a 2022 and 2023 emission basis, Hyosung is expected to have a shortage of at least 4,600 tCO₂(15%) and up to 18,500 tCO₂(60%) annually during the 4th phase period.

(3.1.1.11) Primary financial effect of the risk

Select from:

- Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- Long-term
- The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

Virtually certain

(3.1.1.14) Magnitude

Select from:

High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

In 2023, the reporting year, Hyosung discharged greenhouse gases within its credit, and sold the remaining credits. In order to reduce emissions, KRW 981million was invested in reduction projects (replacement of high-efficiency facilities, process improvement, etc.) in 2022, the previous year of the reporting year, and as a result, about 1,700 tons of emissions per year were reduced, resulting in a return on carbon credit of about KRW 18.5 million.

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

From 2026 to 2030, the fourth phase period, which is expected to affect the long term, is expected to cost KRW 65-573 million every year to purchase credit due to the increase in paid allocation ratio.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

18000000

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

324000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

(3.1.1.25) Explanation of financial effect figure

Based on the greenhouse gas emissions during the 3rd phase period and the prediction of paid allocation ratio during the 4th phase period, Hyosung calculated the financial impact by assuming "increase in direct costs" for purchasing insufficient emission credit if reduction activities were not carried out. Financial impact figures were rounded up in KRW million. Financial impact (minimum) Minimum expected shortfall in annual emission credit X Minimum unit price of internal carbon price X Impact period year (5 years) Financial impact (maximum) Annual projected shortfall of emission credit X Maximum internal carbon price X Impact period year (5 years) (Hypothesis) -Paid allocation ratio for the 4th phase period: 15% (general Korean government industry projections) 60% (the same level as Europe) applied - Estimated emissions during the 4th phase period: Average emissions from 2022 to 2024, the base year for allocation (applying the average emissions from 2022 and 2023, when the current emissions have been calculated)

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

- Increase environment-related capital expenditure

(3.1.1.27) Cost of response to risk

3181000000

(3.1.1.28) Explanation of cost calculation

Hyosung reported to the board of directors a plan to invest about KRW 5 billion in reduction activities for eight years from 2023 to 2030 to implement the emission trading system and achieve the reduction goals. Accordingly, it plans to invest an annual average of KRW 627.2 million in reduction projects. In addition, Hyosung submits an annual external verification of the emission calculation to the government and pays an annual fee to the Korea Exchange for emission trading. Risk Response Cost Annual Response Cost(KRW 627.2 million) X Impact Period (5 years) The major risk response activities expected each year are as follows. - Investment in greenhouse gas reduction projects (replacement of high-efficiency facilities, process improvement, renewable energy generation, etc.) - Third party verification of emission report - Greenhouse Gas Management System Maintenance Fee - Annual fee for the Korea Exchange

(3.1.1.29) Description of response

The same as above.

Climate change

(3.1.1.1) Risk identifier

Select from:

- Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

- Other acute physical risk, please specify :Increased damage due to abnormal weather events such as typhoons and floods

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- Republic of Korea

(3.1.1.9) Organization-specific description of risk

In Korea, the frequency of torrential rain and typhoons is increasing, especially in the summer, which can cause loss or damage to our physical assets operating in Korea. Regarding our product, 'Carpet and BCF yarn', for example, degradation of quality due to flooding can lead to additional sales loss.

(3.1.1.11) Primary financial effect of the risk

Select from:

- Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- Short-term

The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

Virtually certain

(3.1.1.14) Magnitude

Select from:

High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

Hyosung analyzed torrential rain as a physical risk factor that requires a priority response and invested a total of KRW 422 million in 2023 in rooftop waterproofing and complement of leaking parts of buildings

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

It is expected that torrential rain or typhoons will stop the operation of production facilities or disrupt distribution from suppliers, resulting in a loss of about 1-3% of product sales.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

422000000

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

2091000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

6273000000

(3.1.1.25) Explanation of financial effect figure

It is difficult to clearly predict the actual financial impact of abnormal climate phenomena caused by climate change because the scale and frequency of occurrence are irregular. However, the estimated temporary damage due to the suspension of production facilities and loss of finished products due to torrential rain or typhoons is calculated. Problems such as suspension of production facilities and distribution disruption from suppliers will occur, resulting in a loss of about 1 to 3% of product sales. Financial impact figures are rounded up in KRW million. Financial impact (minimum) 2023 product sales X Estimated minimum percentage of loss of sales X impact period year (2 years) Financial impact (maximum) 2023 product sales X Estimated maximum percentage of loss of sales X impact period year (2 years) (Hypothesis) -Estimated Sales Loss Ratio: 1-3% (Internal Estimated Ratio)

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

Increase environment-related capital expenditure

(3.1.1.27) Cost of response to risk

844000000

(3.1.1.28) Explanation of cost calculation

Hyosung conducts inspections on each business sites(including plant, R&D center, and Heavy Industry research center) every quarter, and implements proper countermeasures based on the inspection results. Heavy rainfall was classified as priority physical risk, and accordingly, total KRW 422 million was invested to mitigate this risk such as rooftop waterproofing, and water leakage repair in 2023. And to minimize monetary damage when damage occurs due to physical environment change, Hyosung annually renews disaster insurance. Risk response cost Cost for preparation for physical risks (intensive rain, typhoons, etc.) in 2023 X Impact period year (2 years)

(3.1.1.29) Description of response

The same as above.

Climate change

(3.1.1.1) Risk identifier

Select from:

- Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

- Increased partner and stakeholder concern or negative partner and stakeholder feedback

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- Republic of Korea

(3.1.1.9) Organization-specific description of risk

Hyosung is a B2B company. In the overall business activities, it has relations with a variety of stakeholders (supply chain and clients) at home and abroad. Due to the characteristics of manufacturing companies, the relations with client companies largely affect business sustainability so Hyosung considers collaborative partnership with client companies as important factors. In the reporting year, we received requests from customers such as Hyundai Motor and Kia Motors for GHGs emissions, information on responding to climate change, raising reduction targets, submission of Sustainable Management Status Data, products using biological raw materials or recycled raw materials, and development of single-material products that increase recyclability after disposal. Failure to immediately respond to the needs and preferences of customers is expected to result in an increase in negative reputational opinions from customers as a risk. Furthermore, Hyosung recognizes it as a critical risk to generate a direct decrease in sales such as transaction suspension and contract cancellation. To meet customer needs, Hyosung is demonstrating the eco-friendliness of its products by publishing sustainable management reports, developing and producing eco-friendly products, obtaining externally recognized GRS certification for major eco-friendly products, and performing product LCA.

(3.1.1.11) Primary financial effect of the risk

Select from:

- Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- Short-term
- Medium-term
- The risk has already had a substantive effect on our organization in the reporting year

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

- Virtually certain

(3.1.1.14) Magnitude

Select from:

- High

(3.1.1.15) Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year

Customers are requesting the disclosure of information related to Hyosung's sustainable management (especially its environmental management, including climate change), and there is also an increasing demand for the eco-friendliness of product of Hyosung. In order to respond to these demands, the cost spent in 2023 is KRW 11,800 million. As a result, the 2023 sales of eco-friendly products increased by 79% to KRW 6,084 million.

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Hyosung has been asked by its major clients, Hyundai Motor and Kia Motors, to submit sustainability information, raise greenhouse gas reduction targets, and provide product LCA information. In the reporting year, total sales to Hyundai Motor and Kia Motors accounted for 13% of the company's separate financial statements, while sales of eco-friendly products represented 1%. If we fail to meet the sustainability requirements of our major clients, we could face a decline in eco-friendly product sales at the very least, and in the worst case, a total loss of sales to those clients due to a cessation of business could occur.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

Yes

(3.1.1.18) Financial effect figure in the reporting year (currency)

17884000000

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

11658000000

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

128993000000

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

18421000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

203827000000

(3.1.1.25) Explanation of financial effect figure

If Hyosung cannot respond to the demands for disclosing information on climate change and eco-friendly products from client companies, reputational risks are expected to occur, and stakeholders' negative opinions grow. This non-financial risk is considered to be a risk to affect most largely customer churn, worsening sales, revocation of contracts, withdrawal of investment, and so on. Accordingly, it is expected that a decrease in demand for products will bring about a financial risk of falling sales. Financial impact figures are rounded up in KRW million. Financial Impact (Minimum) Estimated standalone sales for the short or medium term Eco-friendly sales ratio for engaged clients in 2023 (1%) (Short term: 2024-2025, 2 years; Medium term: 2026-2028, 3 years) Financial Impact (Maximum) Estimated standalone sales for the short or medium term Total sales ratio for engaged clients in 2023 (13%) (Short term: 2024-2025, 2 years; Medium term: 2026-2028, 3 years) Sales Reduction Ratio (Minimum): Ratio of eco-friendly sales to standalone sales for engaged clients (Hyundai Motor, Kia Motor) compared to the standalone sales in 2023 (1%). Sales Reduction Ratio (Maximum): Ratio of total sales to standalone sales for engaged clients (Hyundai Motor, Kia Motor) compared to the standalone sales in 2023 (13%). Estimated Standalone Sales: Projections for 2024-2028 based on the management plan.

(3.1.1.26) Primary response to risk

Engagement

- Engage with customers

(3.1.1.27) Cost of response to risk

59000000000

(3.1.1.28) Explanation of cost calculation

Hyosung produces and self-discloses sustainable management reports every year to provide sustainable-related information to stakeholders. In addition, as customers demand participation in the CDP supply chain program, Hyosung has been participating in CDP since 2010, and LCA(Life Cycle Assessment) including Carbon Footprints is calculated every year for major products to respond to customers' request to disclose information on carbon emissions throughout the entire product process. In addition, R&D on eco-friendly products is continuing. Risk Response Cost Total annual response costs(KRW 11.8 billion) X Impact Period (5 years) The major risk response activities expected each year are as follows. - Cost of publication and verification of sustainability management report - CDP participation fee - Scope3 verification fee - ISO14001 certification cost - GSR certification cost - Eco-friendly product R&D - Calculation and verification cost of LCA for automotive floor carpet products

(3.1.1.29) Description of response

The same as above.

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

- CAPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

627000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

422000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

1-10%

(3.1.2.6) Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue

422000000

(3.1.2.7) Explanation of financial figures

CAPEX affected by climate change are as follows. Although no amount was spent in the reporting year on greenhouse gas reduction facilities to respond to greenhouse gas regulations such as emission trading systems and customer demand, the average greenhouse gas reduction investment from 2023 to 2030 is KRW 627 million. The amount spent in the reporting year was KRW 422 million for building waterproofing work to prepare for physical risks such as typhoons and floods. The CAPEX expense (acquisition of tangible assets) spent on the cash flow statement of the separate financial statements of the 2023 business report is KRW 9,130 million. Therefore, the ratio of total financial indicators vulnerable to transitional risk is 6.9% (KRW 627million/9,130 million X 100), and the ratio of total financial indicators vulnerable to physical risk is 4.6% (KRW422 million/9,130 million X 100).

Climate change

(3.1.2.1) Financial metric

Select from:

OPEX

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

11969000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1842000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

Less than 1%

(3.1.2.7) Explanation of financial figures

OPEX affected by climate change are as follows. OPEX spent in the reporting year to cope with transitional risks are KRW 11,969 million, and the details are as follows. - Cost of eco-friendly raw materials - Eco-friendly product R&D - Cost of publication and verification of sustainability management report - CDP participation fee - Scope3 verification fee - ISO14001 Certification cost - GSR certification cost - Carbon footprint calculation and verification fee for automotive carpet products - Third party verification of emission report - Greenhouse Gas Management System Maintenance Fee - Annual fee for the Korea Exchange Amount of physical risk impact: Problems such as the suspension of production facilities and distribution disruptions from suppliers due to torrential rain or typhoons will occur, resulting in a loss of about 1-3% of product sales (M3.1.1 Risk2), so the cost of sales of the median sales loss according to the scenario is KRW 1,842 million. (Sales of products in 2023 X sales cost ratio X Estimated median of loss ratio (2%)) The OPEX expense (the sum of sales cost and sales management cost) spent in the income statement of the separate financial statements of the 2023 business report is KRW 541,223 million. Therefore, the ratio of total financial indicators vulnerable to conversion risk is 2.2% (KRW 11,969 million/541,223 million X 100), and the ratio of total financial indicators vulnerable to physical risk is 0.3% (KRW 1,842 million/541,223 million X 100).

[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

Korea ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

Korea ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

100

(3.5.2.2) % of Scope 2 emissions covered by the ETS

100

(3.5.2.3) Period start date

12/31/2022

(3.5.2.4) Period end date

12/30/2023

(3.5.2.5) Allowances allocated

38527

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO₂e

8670

(3.5.2.8) Verified Scope 2 emissions in metric tons CO₂e

21138

(3.5.2.9) Details of ownership

Select from:

Facilities we own and operate

(3.5.2.10) Comment

In 2023, the allocated emission of Hyosung was 38,527 tons and the final emissions was 29,804 tons and 2,190 tons were sold so that 6,533 tons were transferred to next year. (The total emissions of each site are conservatively rounded down in the first decimal place, resulting in a difference from the total emissions.) Therefore, Hyosung did not purchase separate carbon credits because emissions less than the allocated credits through various reduction activities within the reporting year. [Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Hyosung is a company subject to emissions allocations within the Korea ETS. We are pursuing a total of three strategies to analyze related risks and opportunities. 1) Establishment of GHG reduction strategy and strengthening governance Hyosung has established its Green Management Vision 2030 to become an eco-friendly company that pioneers a better life for mankind. We have established four goals: reducing GHGs emissions, developing eco-friendly technologies and expanding markets, creating an eco-friendly corporate culture and enhancing stakeholder trust. A company-wide climate change response strategy has been established based on specific tasks for each goal. To align with the industrial sector goals of the Nationally Determined Contributions (NDC) announced in 2021, we established the GHG quantitative target of 'Green Management Vision 2030' as a 14.5% reduction (1.2% annual reduction) compared to the level of 2018 emissions. Moreover, in April 2023, we further raised our target to 23.6% reduction by 2030 compared to the 2018 level. On top of that, in the long term, we plan to implement reductions in accordance with the government's 2050 carbon neutral policy. Aiming to achieve the reduction target, Hyosung has annually devised and executed a facility investment plan for energy reduction. It formulates a mid- to long-term reduction plan in all relevant departments, such as planning, research, production, and power generation, followed by reporting it to the ESG Management Promotion Committee and the Board of Directors (BOD) on a regular basis. For reductions that are

challenging to achieve solely through internal energy saving efforts, we make efforts in a long-term perspective through building photovoltaic power generation facilities and purchasing domestic third-party PPA and REC produced with new and renewable energy. In addition, we will further pursue the direction to gradually increase the proportion of the application of new and renewable energy. 2) Monitoring and sharing Korea ETS policy trends The ESG Management Team participates in government briefings and meetings related to Korea ETS, while expressing opinions through related industry associations to ensure the emission trading system can operate smoothly. Major details related to Korea ETS are shared with the Utility & Environment Management Teams of each plant and are reported to the ESG Management Promotion Committee. The ESG Management Team report GHG emissions every year complying with Korea ETS, while analyzing allowances in surplus or shortage and establishing corresponding policies. In addition, the company regularly monitors price trends in the emission allowances market so that purchases can be made if necessary. 3) Development of greenhouse gas reduction plans, implementation of reduction activities, and performance measurement Hyosung receives annual greenhouse gas emissions allowances and establishes specific reduction targets for each plant to achieve them. When setting reduction targets, Hyosung utilizes internal carbon pricing introduced during the reporting year, incorporating the economic analysis of carbon costs into investment decisions for emission reduction, such as facility investment and fuel conversion. Hyosung actively implements various emission reduction activities to achieve the plant-specific targets, conducting periodic monitoring and performance analysis to assess the progress and reduction volume. The details of greenhouse gas reduction achievements are managed as annual key performance indicators (KPIs) by plant managers and employees, and incentives are provided accordingly. This fosters active engagement in company-wide greenhouse gas reduction activities. Additionally, to monitor the allocation and fulfillment of emission allowances, Hyosung monitors the allocated emission allowances and expected shortages on a PU basis, reporting the findings to the board of directors. The secondary voltage tap of the primary transformer at the Anyang plant was altered from 3.2kV to 3.4kV in 2023 to mitigate power losses in the cables. As a result, Hyosung's Anyang Plant reducing a total of 28 tCO₂eq. Through these three strategies, Hyosung successfully implemented the Korea ETS in 2023, generating approximately KRW 18 million in revenue from the sale of surplus emission allowances.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

| | Environmental opportunities identified |
|----------------|--|
| Climate change | Select from: <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized |

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

- Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

- Use of recycling

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Republic of Korea

(3.6.1.8) Organization specific description

In response to the customer's request for developing a recycled automotive carpet, Hyosung has developed automotive carpet(automotive floor carpet/automotive floor mat) using recycled materials. We are supplying recycled automotive carpet products using nylon and polyester recycled chips produced by fishing nets, yarns, or Hyosung's spinning process waste (Waste) that are discarded and process waste generated by the recycled chip company. For products using recycled raw materials, GRS (Global Recycled Standard) certification is obtained, and LCA is also calculated to calculate carbon footprint and negative environmental impact reduction compared to existing products. In addition, we are developing a single-material automotive carpet that simplifies materials to facilitate recycling in the disposal stage.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Short-term
- Medium-term
- The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

- High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

Hyosung has developed and sold automotive carpet(automotive floor carpet/automotive floor mat) using recycled raw materials, and is continuously developing products that satisfy the physical properties required by customers. In the reporting year, the expenses spent on research and development of recycled products, acquisition of GRS certification, and calculation of LCA were KRW 1,431 million, and the sales of recycled products in 23 years were KRW 4,212 million, an increase of 329% year-on-year.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Hyosung established a management plan for five years, and it expects sales of recycled products to increase by 508% in 2028 compared to 2023. The future financial impact figures were assumed to achieve 85 to 115% of recycling product sales plan.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

- Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

4212000000

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

18852000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

25506000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

50669000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

68552000000

(3.6.1.23) Explanation of financial effect figures

Since 2021, when Hyosung launched a recycled automotive carpet, sales of the product have increased every year. Compared to 2021, sales in 2023 increased by about 11 times. Hyosung is establishing a five-year management plan, and accordingly, sales of recycled products are expected to increase by 508% compared to 23 years in 2028. Future financial impact figures were estimated on the assumption of achieving 85-115% of the sales plan for recycled products, and rounded up in units of KRW 1 million

Financial impact (minimum) Expected short-term or medium-term recycling product sales X Estimated minimum ratio to achieve sales (short-term 2024/2025/medium 2026/2028)

Financial impact (maximum) Expected short-term or medium-term recycling product sales X Estimated maximum ratio to achieve sales (short-term 2024/2025/medium 2026/2028) (Hypothesis) - Estimated percentage of sales plan achievement of recycled products: 85% to 115% (internal estimated percentage) -Estimated sales of recycled products: Estimates for 2024 to 2028 years according to management plan

(3.6.1.24) Cost to realize opportunity

7155000000

(3.6.1.25) Explanation of cost calculation

Hyosung continues to research and develop and provide recycled products that meet the physical properties required by customers. In addition, in order to obtain GRS certification for recycled products and reliably present the effect of reducing the negative environmental impact of recycled products compared to existing products, the entire process evaluation (LCA) of major products is conducted every year. Cost of realizing opportunities Expenditure for the year 2023 for realizing opportunities (KRW 1,431 million) X Affected period year (5 years) - Recycled products R&D - GSR certification cost - Automotive carpet product LCA calculation and

verification fee

(3.6.1.26) Strategy to realize opportunity

In order to realize the opportunity to change consumer preferences for recycled products, Hyosung is expanding its eco-friendly R&D. In 2007, Hyosung developed the world's first recycled nylon yarn production technology using abandoned fishing net, and Korea's first recycled polyester yarn using waste pet bottles. Since then, we have improved the purity of nylon yarn's chemical cycle raw materials, developed chemical recycled polyester yarn, and developed high-strength mechanical recycled sewing PET yarn technology. We also plan to research material separation of waste fabric/waste clothing and develop monomer refining technology. In 2024, eco-friendly R&D plans to execute about 2.5 times the amount of research funds compared to 2023.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

Other markets opportunity, please specify :Creating surplus profit by participating in ETS

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

Republic of Korea

(3.6.1.8) Organization specific description

The Korean government is operating a GHGs emission trading system(K-ETS). Hyosung has been incorporated into a company subject to allocation since 2015 and

has been allocated emission allowances every year and has been implementing the system. Hyosung implemented various GHGs reduction initiatives to meet the annual emission allowance criteria. As a result, there have been no shortages in emission allowances, meaning that Hyosung emitted less greenhouse gases than the allocated quotas. During this period, the company generated surplus revenue by trading the excess emission allowances. In 2023, Hyosung sold 2,190 tons of surplus emission allowances, resulting in a total surplus revenue of KRW 18.5 million. Hyosung has 122,054 tons of emission rights that convert the Certified Emission Reduction (CERs) acquired through the Clean Development Mechanism (CDM) project into the Korean Offset Credit (KOC), which can be sold or used by K-ETS from the reporting year to 2029. Therefore, Hyosung also expects additional profits from KOC sales between 2024 and 2029.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Other, please specify :Creating surplus profit by participating in ETS

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Short-term
- Medium-term
- The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

- High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

Hyosung sold the remaining emission rights through the emission trading market because the emission of greenhouse gas was small compared to the allocated emission rights held in the reporting year. The remaining amount compared to the allocated emission rights in 2023 totaled 8,723 tons, of which 2,190 tons were sold to generate KRW 18.5 million. The remaining 6,533 tons of emission rights were carried over to emission rights in 2024.

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Hyosung conducted an analysis of emission permits and shortages based on the quota and expected emissions between the 3rd phase period and expects to sell about 1,400 tons of emission permits between 2024 and 2025. In the roadmap for national 2030 reduction goals, Korea plans to make a sharp reduction during the 4th phase period (2026-2030). Therefore, the price increase due to the lack of emission permits is expected during the 4th phase period, and accordingly, the 122,054 tons of KOC held will be sold between 2026 and 2028 in consideration of the retention period.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

18000000

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

19000000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

43000000

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

1709000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

3784000000

(3.6.1.23) Explanation of financial effect figures

Future financial impact figures were estimated by assuming the following, and rounded up in KRW millions units. Short-term financial impact (minimum): Short-term

(2024-2025) Estimated surplus of allotment credits X Minimum unit price of internal carbon price between 2022-2024 Short-term financial impact (maximum): Short-term (2024-2025 years)) Estimated surplus of allotment credits X Maximum unit price of internal carbon price between 2022-2024 Medium-term financial impact (minimum): Medium-term (2026-2028) KOC emission rights holdings X Minimum unit price of internal carbon price between 2022-2024 Medium-term financial impact (minimum): Medium-term (2026-2028) KOC emission rights holdings X Maximum unit price of internal carbon price between 2022-2024

(3.6.1.24) Cost to realize opportunity

3181000000

(3.6.1.25) Explanation of cost calculation

Hyosung reported to the board of directors a plan to invest about KRW 5 billion in reduction activities for eight years from 2023 to 2030 to implement the emission trading system and achieve the reduction goals. Accordingly, it plans to invest an annual average of KRW 627.2 million in reduction projects. In addition, Hyosung submits an annual external verification of the emission calculation to the government and pays an annual fee to the Korea Exchange for emission trading. Risk Response Cost Annual Response Cost(KRW 627.2 million) X Impact Period (5 years) The major risk response activities expected each year are as follows. - Investment in greenhouse gas reduction projects (replacement of high-efficiency facilities, process improvement, renewable energy generation, etc.) - Third party verification of emission report - Greenhouse Gas Management System Maintenance Fee - Annual fee for the Korea Exchange

(3.6.1.26) Strategy to realize opportunity

Hyosung has an internal process to respond to the emission trading system. Every year, the ESG Management Promotion Committee and the board of directors report on emissions after external verification of greenhouse gases, management and reduction activities, analysis of excess/shortage and trading emissions rights, and the operating expenses for management are reflected in the annual budget. In addition, the external business certification performance (KOC) was secured through the CDM project.

[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

6084000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

Less than 1%

(3.6.2.4) Explanation of financial figures

Sales of low-carbon products (products using bio and recycled raw materials) compared to existing products generated sales of KRW 6,084 million. -Sales of low-carbon products: KRW 6,084 million -Sales of the separate financial statements for the 2023 business report: KRW 533,220 million -Total percentage of financial indicators aligned with opportunities related to climate change issues: 1.1% (KRW 6,084 million/533,200 million X 100)

Climate change

(3.6.2.1) Financial metric

Select from:

OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

18000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

Less than 1%

(3.6.2.4) Explanation of financial figures

Hyosung sold the remaining emission rights through the emission trading market because the emission of greenhouse gases was small compared to the allocated emission rights held in the reporting year. The remaining amount compared to the allocated emission rights in 2023 totaled 8,723 tons, of which 2,190 tons were sold to generate KRW 18.5 million. The remaining 6,533 tons of emission rights were carried over to emission rights in 2024. Revenue from the sale of emission rights is accounted for as deducting from sales costs. -Revenue from sales of emission rights: KRW 18.5 million -OPEX expenses (sum of sales cost and sales management expenses) spent in the income statement of the separate financial statements for the 2023 business report: KRW 541,223 million -Total percentage of financial indicators aligned with opportunities related to climate change issues: 0.003% (KRW18.5 million/541,223 million X 100)

[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

Quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

Executive directors or equivalent

Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

'Diversity and inclusion Policy' applies to all employees within the Hyosung's financial consolidation scope, which includes Hyosung's headquarters, domestic and overseas production and sales corporations and branches, and subsidiaries. This policy states that Hyosung shall strive to establish standards for bolstering diversity and expertise so that the Board of Directors can make significant decisions while taking into account the interests of diverse stakeholders. Also, 'Hyosung's Charter of Corporate Governance' states that the selection criteria such as expertise, independence, and diversity shall be considered when selecting candidates for outside director positions.

(4.1.6) Attach the policy (optional)

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

No, but we plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

Using 'Biodiversity Risk Filter' tools from the WWF (World Wide Fund for Nature), Hyosung have evaluated the biodiversity risk of 26 locations, including offices, production facilities, and vehicle repair shops, owned by Hyosung and its subsidiaries. The biodiversity risk was classified as below 'medium risk' for both physical and reputational hazards. Therefore, Hyosung decided that biodiversity issue is not an immediate strategic priority.

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

- Board chair
- Director on board
- Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

- Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

- Board Terms of Reference

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

- Scheduled agenda item in every board meeting (standing agenda item)

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

- Reviewing and guiding annual budgets
- Overseeing the setting of corporate targets
- Monitoring progress towards corporate targets
- Approving corporate policies and/or commitments
- Reviewing and guiding innovation/R&D priorities
- Approving and/or overseeing employee incentives
- Overseeing and guiding major capital expenditures

- Overseeing and guiding the development of a business strategy
- Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities
- Other, please specify :Overseeing and guiding value chain engagement

(4.1.2.7) Please explain

*The within Hyosung's Board of Directors deliberates on sustainability policies and goals, including climate change, risk management, investment, and activity plans, in accordance with 'Rules for BoD Operation'. Hyosung is not only obligated to the emission trading system, which is the national GHGs regulation, but also needs to reduce GHGs emission through continuous energy efficiency improvement and technology development in order to meet customers' requests to respond to climate change. Short-term, medium-term, and long-term plans such as investment and business expansion according to technology development are also related to financial planning. Climate change-related issues collected by business divisions are reviewed by the, and the Board of Directors makes final decisions on matters that need to be reflected in management plans, such as investments. In 2023, the was held seven times, and four of them discussed climate change-related agendas. *Agendas Reviewed by the under the Board of Directors (Jan. 2023 – Jan. 2024) -Disclosure of the compiled sustainable management data, including subsidiaries' greenhouse gas emissions -Expected amount of greenhouse gas emissions and carbon credits purchase and sale -Raise in greenhouse gas emission reduction goals -2023 performance and 2024 plan for supporting supplier climate action Other governance mechanisms incorporating environmental issues include reviewing and guiding innovation/R&D priorities, approving and overseeing employee incentives. The is a committee in which the CEO and executives participate. It convenes semi-annually to establish R&D strategies regarding climate change, reflecting opinions of the relevant departments including sales, marketing, and R&D. Also, 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.*

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

- Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- Integrating knowledge of environmental issues into board nominating process
- Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- Experience in an academic role focused on environmental issues
- Experience in the environmental department of a government (national or local)
- Active member of an environmental committee or organization

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

- Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

- No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

- Not an immediate strategic priority

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

Using 'Biodiversity Risk Filter' tools from the WWF (World Wide Fund for Nature), Hyosung have evaluated the biodiversity risk of 26 locations, including offices, production facilities, and vehicle repair shops, owned by Hyosung and its subsidiaries. The biodiversity risk was classified as below 'medium risk' for both physical and reputational hazards. Therefore, Hyosung decided that biodiversity issue is not an immediate strategic priority.
[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

- Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- Assessing environmental dependencies, impacts, risks, and opportunities
- Managing environmental dependencies, impacts, risks, and opportunities

Engagement

- Managing supplier compliance with environmental requirements
- Managing value chain engagement related to environmental issues

Policies, commitments, and targets

- Monitoring compliance with corporate environmental policies and/or commitments
- Measuring progress towards environmental corporate targets
- Setting corporate environmental policies and/or commitments
- Setting corporate environmental targets

Strategy and financial planning

- Managing annual budgets related to environmental issues

- Implementing the business strategy related to environmental issues
- Developing a business strategy which considers environmental issues
- Managing environmental reporting, audit, and verification processes
- Managing major capital and/or operational expenditures relating to environmental issues
- Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

- Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

- Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- Quarterly

(4.3.1.6) Please explain

Hyosung Corporation holds a quarterly led by its CEO to review management issues related to climate crises and select key agendas for the Board approval. In order for the prompt implementation of the committee's decision across the business sites, the Chief Strategic Planning Officer, CFO, CMO, CCO, Plant Manager, Head of Hyosung R&DB Labs, Head of Power & Industrial Systems R&D Center, and CSO participates as members. 2023 Agendas Reviewed by the -Report on research projects for environmentally friendly technologies and products -Approval of the report on expected greenhouse gas emissions and carbon credits purchase and sale -Approval of policies for environment and forest destruction prevention, and biodiversity -Approval of raised greenhouse gas emissions reduction targets -Report on 2023 performances and 2024 plans to support supplier climate action
 [Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

22.5

(4.5.3) Please explain

Each year, directors are evaluated based on their proper expertise and performed activities on Board. Standing directors are comprehensively evaluated on both quantitative indicators like sales, operating profits, and net profit and non-quantitative indicators such as sustainable management. Based on the results, compensation is approved at the general meeting of shareholders, and provided within the set limits. The incentive ratio above is the maximum ratio applicable, not specific to environmental issue management alone. Hyosung reorganized the performance evaluation system on 2022 to promote sustainable management. Members of the and employees under the organization must include quantitative performance plan for sustainable management promotion on their annual performance plan KPI. At the each end, improvement rates are evaluated by team and reflected in personnel evaluation, leading to financial incentives such as salary increases or bonuses.

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

Bonus - % of salary

- ✓ Bonus – set figure
- ✓ Salary increase

(4.5.1.3) Performance metrics

Targets

- ✓ Progress towards environmental targets
- ✓ Achievement of environmental targets
- ✓ Organization performance against an environmental sustainability index

Strategy and financial planning

- ✓ Shift to a business model compatible with a net-zero carbon future
- ✓ Increased investment in environmental R&D and innovation
- ✓ Increased proportion of revenue from low environmental impact products or services

Emission reduction

- ✓ Implementation of an emissions reduction initiative
- ✓ Reduction in absolute emissions

Resource use and efficiency

- ✓ Improvements in emissions data, reporting, and third-party verification
- ✓ Energy efficiency improvement
- ✓ Reduction in total energy consumption

Pollution

- ✓ Reduction/elimination of environmental incidents and/or environmental notices (notices of violation)

Policies and commitments

- ✓ Increased supplier compliance with environmental requirements
- ✓ Adopting UN International Labour Organization principles

Engagement

- ✓ Increased engagement with suppliers on environmental issues

- Increased engagement with customers on environmental issues
- Implementation of employee awareness campaign or training program on environmental issues

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

Hyosung reorganized the performance evaluation system from 2022 to actively promote sustainable management. Under the reorganized system, members of the and executives and employees of all teams under the must prepare the annual performance plan KPI, including a quantitative performance plan for sustainable management promotion. At the end of each year, the achievement of sustainable management improvement tasks by team is evaluated, reflected in personnel evaluation, and performance is evaluated to provide financial incentives such as annual salary increase rate and bonus performance. The performance evaluation, which is the basis for incentive reward, consists of 70% quantitative and 30% qualitative for tasks set for each team. Sustainable management achievement shall be set to a quantitative KPI, but a qualitative KPI shall be set to gauge the level of achievement only when it is difficult to set a quantitative KPI, and per KPI Weights are set autonomously. In constructing sustainability KPI evaluation items, we reflected the requirements for sustainable management promotion, including our climate change issues, and also included the diagnostic item system of corporate ESG management guidelines published by the Ministry of Trade, Industry and Energy. Major climate change indicators for the active promotion of sustainable management include 'achievement of goals through greenhouse gas emissions and reduction management', 'Managing Energy Usage and Savings' at direct operations and 'Training on climate change for executives and employees'. 'Expansion of purchase of eco-friendly products', 'Eco-friendly R&D' are also included as one of the KPI indicators.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Hyosung has set a quantitative GHG emissions reduction target of 23.6% by 2030 against total emissions in 2018 and is carrying out greenhouse gas reduction activities to achieve the target. All employees of Hyosung's sustainable management-related department should prepare a performance plan by reflecting sustainable management performance items in quantitative tasks, set activities that contribute to achieving GHG reduction target as KPIs, and report and evaluate quantitative results. The management KPIs and quantitative indicators set for each team are an extension of our mid to long-term roadmap for responding to climate change in 2030 and GHG reduction target. By reducing energy use and GHG emissions by achieving KPIs, it not only contributes to the achievement of Hyosung's GHG reduction target, but also can lead to the participation of partners and members of the company in implementing the climate transition plan through awareness-building such as expanding the purchase of eco-friendly products and environmental education for executives and employees.

[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

| | |
|--|--|
| | Does your organization have any environmental policies? |
| | <i>Select from:</i> <input checked="" type="checkbox"/> Yes |

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

- Climate change
- Biodiversity

(4.6.1.2) Level of coverage

Select from:

- Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(4.6.1.4) Explain the coverage

Environmental Policy applies to all employees within the Hyosung's financial consolidation scope, which includes Hyosung's headquarters, domestic and overseas production and sales corporations and branches, and subsidiaries. Even when interacting with business partners, agencies, and outsourcing partners, employees shall encourage compliance with this Policy. However, if the recommended actions in this Policy conflict with the laws of the relevant country, the laws of the country in question shall take precedence.

(4.6.1.5) Environmental policy content

Environmental commitments

- Commitment to a circular economy strategy
- Commitment to avoidance of negative impacts on threatened and protected species
- Commitment to comply with regulations and mandatory standards
- Commitment to stakeholder engagement and capacity building on environmental issues

Additional references/Descriptions

- Other additional reference/description, please specify :Commitment to reduce or phase out hazardous substances, Commitment to control/reduce/eliminate water pollution, Commitment to reduce water consumption volumes

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

- Publicly available

(4.6.1.8) Attach the policy

4.6.1 Environmental Management Policy and Biodiversity Policy_ENG.pdf

[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

Task Force on Climate-related Financial Disclosures (TCFD)

(4.10.3) Describe your organization's role within each framework or initiative

Hyosung declared support for TCFD(Task Force on Climate-related Financial Disclosures) in 2022, in order to participate in the international cooperation to tackle climate change. We recognizes the importance of economic decision-making to address climate change. In accordance with the TCFD framework, which requires disclosure of four areas: governance, strategy, risk management, metrics& targets, Hyosung discloses relevant financial and climate change-related information through its sustainability report.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

Yes, we engaged directly with policy makers

Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

Paris Agreement

(4.11.4) Attach commitment or position statement

4.11 Participation in Initiatives for Climate Action and Climate Change Indicators and Goals(23 Hyosung SR and TCFD HP)_ENG.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

In accordance with Article 31 of the Political Fund Act, corporations cannot donate political funds, and there is no legal lobbying system in Korea. However, the Ministry of Environment lists and discloses companies subject to the ETS on its website, and the companies can freely express their opinions on policies through public hearings, meetings, and surveys. Transparency Register Name: List of companies subject to allocation of ETS(<https://ngms.gir.go.kr>) Organization ID: Hyosung Corporation

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

Hyosung is strengthening cooperation in the entire levels of value chain including the government, supply chain and client company in order to effectively respond to Korea ETS. In order to achieve the national emissions reduction target, it is necessary to improve Korea ETS efficiently. Hyosung participates in public hearings, meetings, and surveys by the Ministry of Environment, and expresses opinions on the characteristics of the industry and opinions that need to be reflected in policy implementation through the Korea Chemical Fiber Association, the Korea Chamber of Commerce and Industry, the Korea Employers Federation, and the National Federation of Business. Internally, Hyosung is monitoring Korea ETS policy trends, establishing strategies to reduce emissions, strengthening the relevant governance system, and implementing reduction activities for each plant. As the risk management of climate change in the supply chain becomes more important, the

company has added additional items about energy use in the supplier evaluation and gives additional points to suppliers enhancing their capacity for climate change. We provide reliable information related to our carbon emissions through annual business report, Sustainability report and environmental information disclosure portal site. Hyosung's green management aims to reduce carbon emissions and includes detailed action plans such as reducing the use of raw materials, including water and power, and facilitating recycling and reuse. Government policy along with engagement activities with supply chain and customers are important elements of green management of Hyosung and are integrated in the green management system keeping up with changes in policies and markets.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

1. *K-ETS* The Korean government has enacted and implemented the 'Act on Carbon Neutrality and Green Growth to Respond to the Climate Crisis' and 'Act on the Allocation and Trading of Greenhouse Gas Emission Permits'. This system allows the government to allot yearly base allowance to workplaces to emit GHG within the allocation range, assesses actual GHG emissions of allotted workplaces and permits trading surplus and deficiency of allowances between workplaces.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

Emissions trading schemes

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

Republic of Korea

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

Support with major exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

1.K-ETS Hyosung provides data needed for Korea ETS operations when requested by the government. 1) In 2023, Hyosung provided the data after receiving a request from the Ministry of Environment to submit the estimated greenhouse gas emissions. 2) The Ministry of Trade, Industry and Energy requested corporate opinions to promote the use of waste heat through the Korea Chemical Fiber Association. In response, Hyosung responded to the current status of waste heat recycling, the contents of a review on the use of waste heat recovery in plant, and the need for institutional improvement to utilize unused waste heat. We also asked support to apply low-interest rate for investment costs to improve energy efficiency and consulting costs on the possibility of waste heat recovery to large companies.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

Discussion in public forums

Participation in working groups organized by policy makers

Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

1. K-ETS The Korean government declared carbon neutrality in 2050 in accordance with the Paris Agreement, and is pursuing carbon emission reduction policies in earnest. In order to achieve the carbon neutrality goal, the government announced a reduction scenario that significantly reduced thermal power generation and

expanded renewable energy generation. Accordingly, Hyosung, which is subject to K-ETS, is setting the company's reduction goals in accordance with the national carbon neutrality promotion plan. The emission trading system, in which we participate, contributes to Korea's GHG reduction and achievement of the national climate transition plan. All companies with an average annual total GHG emissions of 125,000 tons or more, or with at least one business site of 25,000 tons or more are subject to the Korea ETS, and we are currently in the third ETS planning phase (2021-2025). As the third ETS planning phase progresses, the number of companies subject to allocation increases, but the emission allowance (cap) decreases, reducing the overall national GHG emissions and encouraging companies to actively reduce GHG emissions. Hyosung strives to achieve the climate transition plan/target by reducing our GHG emissions by developing low-carbon products, using renewable energy, and reducing energy use.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- Paris Agreement

Row 2

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

2. *Environmental Information Disclosure System* In accordance with the 'Environmental Technology and Environmental Industry Support Act', Korean government operates an environmental information disclosure system to enhance companies' willingness to voluntarily promote environmental management and to establish a foundation for environmental management and an autonomous environmental management system by promoting environmental communication with the public.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

- Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Transparency and due diligence

- Corporate environmental reporting

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- Republic of Korea

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- Support with minor exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

2. Environmental Information Disclosure System In 2023, the Ministry of Environment held a meeting with holding companies for the consistency between the sustainability disclosure standards established by the KSSB(Korea Sustainability Standards Board) and the environmental information disclosure system and for the convenience of companies, and Hyosung expressed its opinion on the system. Hyosung has no disagreement on reporting environmental information, including subsidiaries, based on consolidated financial statements, but believes that it will be difficult for all subsidiary corporations to disclose environmental information. Therefore, we think it is necessary for the government to present specific criteria for determining the importance of identifying subsidiary corporations subject to information disclosure (e.g., the proportion of sales or environmental impact (manufacturing site), etc.). Accordingly, Hyosung attended a meeting hosted by the Korea Institute of Environmental Industry and Technology under the Ministry of Environment, which is in charge of environmental information disclosure, in 2023 and presented this opinion. In addition, it was suggested to issue a certificate of verification for the contents verified through the environmental information disclosure system so that the same data must be submitted in duplicate to various organizations under the Ministry of Environment or not to receive duplicate verification. In case the opinion does not apply, we are considering establishing our own criteria for determining importance and disclosing environmental information, including subsidiary corporations.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- Discussion in public forums
- Participation in working groups organized by policy makers
- Responding to consultations

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

2. Environmental Information Disclosure System In Korea, under the Environmental Technology and Environmental Industry Support Act, when a company prepares information on its environmental management promotion system, resource and energy conservation, environmental pollutant emission reduction goals and performance, the verification examiner under the Ministry of Environment will disclose the information after verifying it. By disclosing such information, companies can conduct voluntary environmental management through enterprise-wide environmental management such as greenhouse gas reduction.

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

- Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

Asia and Pacific

- Other trade association in Asia and Pacific, please specify :Korea Chemical Fiber Association, the Korea Chamber of Commerce and Industry, the Korea Employers Federation, and the National Federation of Business, Korea Federation of Textile Industries

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

- Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The Korea Chemical Fiber Association(KCFA) seeks to rationalize management for technological development, quality improvement, productivity improvement, and international competitiveness reinforcement in the Korean chemical fiber industry. In addition, KCFA aims to contribute to the promotion of the industry and the sound development of related industries by promoting friendship and common interests among member companies. The members of Korea Chemical Fibers Association are the major domestic chemical fiber manufacturers. The sustainable activities of Korea Chemical Fibers Association are as follows. 1. It delivers contents of regulations related domestic, foreign climate change and environment. It hears opinions from companies. As a channel to government, it presented the opinions to Ministry of Environment, Ministry of Trade, Industry and Energy, Ministry of Strategy and Finance, etcetera. After then the Carbon Neutrality Commission was established last year, it presented opinions on chemical fiber. 2. It holds explanation meetings and seminars about sustainability management for companies. 3. It shares technology trends by sharing technologies for sustainable eco-friendly products / energy reduction and market trends. Companies regularly gathered to present each energy reduction activities. Hyosung is actively presenting opinions on climate change response activities in the field of eco-friendly materials and chemical fibers and conducting sustainable activities with members of the association. In addition, Hyosung participates as a member of the Korea Chamber of Commerce and Industry, the Federation of Korean Industries, the Federation of Korean Employers, the Federation of Korean Textile Industry, and the Civil Hydrogen Council to align with the association and submit its opinions to the government. We mainly submits our opinions to the association through the process of responding to the opinion gathering process.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

297443000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Hyosung pays annual fees every year to serve as a member of the association. Hyosung participates in the Korea Chemical Fiber Association as a member company to share information with domestic chemical fiber companies, including climate change, and to present unified industry opinions to the government. The Korea Chemical Fiber Association provides a place for member companies to share information on how to respond to climate change. Hyosung participates in the Greenhouse Gas Reduction Research Group hosted by the Korea Chemical Fiber Association and shares energy-saving activities with domestic chemical fiber companies. In addition, the member companies present their opinions on the domestic greenhouse gas policy or the reduction support program to the association, and the association makes a unified opinion of the industry and suggests it to the government. In 2023, the Korea Chemical Fiber Association published a report on the guidelines for social reduction in the textile industry to respond to climate change and provided it to member companies. As the core of the textile industry, the Korea Federation of Textile Industries presents a mid- to long-term vision and strengthening the competitiveness of the textile and fashion industry so that it can quickly respond to the rapidly changing global market environment and discover and strengthen new growth momentum. The Korea Federation of Textile Industries is engaged in various activities to strengthen competitiveness in response to changes in the external environment, to intensify knowledge, to establish a foundation for

cooperation among textile industries, and to raise awareness of the textile industry. Hyosung's Vice Chairman served as the 15th Chairman of the Korea Federation of Textile Industries from 2020 to 2023. The Korea Federation of Textile Industries has prepared a "New Deal Implementation Strategy for the Textile Fashion Industry" based on the government's Korean version of the New Deal policy to "convert the textile fashion industry into an environmentally friendly industry," suggesting a sustainable direction to move forward. In particular, Hyosung plans to make eco-friendly ecosystem by developing eco-friendly materials and production technologies for the transition to the eco-friendly industry responding to strengthening global environmental regulations and climate change and constructing clean factories.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

Paris Agreement

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

Governmental institution

(4.11.2.3) State the organization or position of individual

Ministry of Oceans and Fisheries, Korea Fisheries Resources Agency, Geoje-si, Wando-gun

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

Korean government agencies, including the Ministry of Oceans and Fisheries and the Korea Fisheries Resources Agency, are carrying out projects to preserve sea forests to achieve reduction goals under the Paris Agreement and to protect the marine ecosystem, and Hyosung also supports them. Seagrass, designated as a protected marine species under the "Marine Ecosystem Act", plays a crucial role in providing food, habitat, and nursery grounds in marine ecosystems. It is also internationally recognized as a representative blue carbon with its carbon absorption capabilities. Therefore, Hyosung has been working with the Korea Fisheries Resources Agency and local governments to manage and preserve Seagrass Forest since 2022.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

12500000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

In 2022 and 2023, Hyosung Corporation, Hyosung TNC, and Hyosung Heavy Industries collaborated with the Korea Fisheries Resources Agency and Geoje-Si to transplant 10,000 seagrass seedlings, known for their high carbon absorption capacity, across 0.44 hectares around the Dadae-Dapo Port area. The funds provided by Hyosung supports activities to improve marine environment, such as monitoring the distribution and habitat of seagrass, seagrass transplantation, and collection of abandoned fishing gear in the sea. The 2023 annual activity report states that 1.43 tons of carbon were fixed annually as a result of the activities of Hyosung. The Korea Fisheries Resources Agency analyzed the ecological environment before and three years after the creation of the seagrass forest, confirming that the number of benthic organisms increased by 2.5 times, the number of species by 1.5 times, and the species diversity index by 1.2 times, demonstrating the effectiveness of seagrass forest in ensuring the health of the marine ecosystem. Additionally, from 2024 to 2027, Hyosung Corporation, Hyosung TNC, Hyosung Heavy Industries, Hyosung Advanced Materials, and Hyosung Chemical, in cooperation with the Ministry of Oceans and Fisheries, the Korea Fisheries Resources Agency, and Wando-gun, plan to plant 40,000 seagrass plants and create a sea forest composed of seaweeds across approximately 159 hectares of tidal flats around Wando. Hyosung expects these activities to contribute to the establishment of policies to expand the marine absorption source business through cooperation between the government and the private sector

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

Paris Agreement

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:

Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

- In mainstream reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- Climate change

(4.12.1.4) Status of the publication

Select from:

- Complete

(4.12.1.5) Content elements

Select all that apply

- Governance
- Risks & Opportunities
- Emissions figures

(4.12.1.6) Page/section reference

Governance: p.469472 Emissions figures: p.534535 Risks & Opportunities: p.189, 196

(4.12.1.7) Attach the relevant publication

4.12.1 2023 Business report(Hyosung Corporation)_Kor.pdf

(4.12.1.8) Comment

Hyosung discloses governance(ESG Management Committee), climate change risks, financial effects and emission data through business report. The data in the

greenhouse gas emission verification report and the data in the business report may differ because the published data in the business report (March every year) is data before the final suitability evaluation is completed (June every year).

Row 2

(4.12.1.1) Publication

Select from:

- In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

- GRI
- TCFD
- Other, please specify :SASB

(4.12.1.3) Environmental issues covered in publication

Select all that apply

- Climate change
- Water
- Biodiversity

(4.12.1.4) Status of the publication

Select from:

- Complete

(4.12.1.5) Content elements

Select all that apply

- Strategy
- Governance
- Value chain engagement
- Biodiversity indicators

- Emission targets
- Emissions figures
- Risks & Opportunities

- Public policy engagement

(4.12.1.6) Page/section reference

Strategy:: p.1718 Value chain engagement: p.19 Governance: p.16 Emission targets: p.20 Biodiversity indicators: p.38 Emissions figures: p.20, 36 Public policy engagement: p.29 Risks & Opportunities: p.1718 Other(Water consumption, waste discharge, recycled raw material usage, etc): p.3639

(4.12.1.7) Attach the relevant publication

4.12.1 2023 Hyosung sustainability report_ENG.pdf

(4.12.1.8) Comment

After the first publication in 2012, Hyosung has been publishing a Sustainability Report every year since 2018 to communicate actively with our stakeholders. Hyosung's sustainability report discloses governance, strategies, risks and opportunities, and emission targets according to reporting standards such as GRI, TCFD, and SASB on topics selected by Hyosung as important issues such as climate change response.

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

SSP5

(5.1.1.3) Approach to scenario

Select from:

- Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Policy
- Market
- Liability
- Reputation
- Technology
- Acute physical
- Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 4.0°C and above

(5.1.1.7) Reference year

2006

(5.1.1.8) Timeframes covered

Select all that apply

- 2025
- 2030
- 2040
- 2070
- 2080
- 2090

2050

2060

2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Changes to the state of nature
- Number of ecosystems impacted
- Changes in ecosystem services provision
- Climate change (one of five drivers of nature change)

Stakeholder and customer demands

- Consumer attention to impact

Regulators, legal and policy regimes

- Global regulation
- Global targets

Direct interaction with climate

- On asset values, on the corporate
- Perception of efficacy of climate regime

Macro and microeconomy

- Domestic growth
- Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

[Assumptions in scenario] The physical scenario assumes an expected disaster if efforts to respond to climate change are insufficient and the achievement of reduction targets and strategies fails. Hyosung, headquartered in South Korea, used the RCP 8.5 and SSP5-8.5 high-carbon scenario provided by the Korea Meteorological Administration to analyze the physical impact of climate change in Korea. The Korea Meteorological Administration utilized various climate models, including HadGEM2-AO, HadGEM3-RA, K-ACE, and UKESM1, to produce standard scenarios of climate change for the entire globe, East Asia, the Korean Peninsula, and specifically South Korea. After conducting a control experiment applying pre-industrial climate conditions, as well as reproducing South Korea's past climate (1979–2005, 1979–2014), future projections up to 2100 were simulated based on RCP/SSP forcing, calculating temperature (minimum, maximum, average),

precipitation, wind, humidity, sea surface temperature, and sea level rise. A comprehensive analysis, including subsidiary companies, was conducted using global tools such as the WRI Aqueduct and WWF Risk Filter to assess physical risks, including heatwaves and typhoons, along with ecosystem regulation services. [Assumptions Regarding the Severity or Intensity of External Factors] Severe climate change can disrupt natural ecosystems, increasing endangered species and reducing biodiversity. It negatively affects ecosystem services such as water supply and air purification. These environmental issues significantly impact global regulations and targets, complicating domestic economic growth and market globalization. Stricter climate regulations affect our supply chains, raw material procurement, manufacturing, logistics, and distribution. Rising consumer concern about environmental impacts may also influence our brand image and market share. Additionally, climate-related disasters and environmental degradation can cause physical asset damage, higher operating costs, and increased insurance premiums, potentially decreasing asset value and harming the company's financial status. [Uncertainties and Constraints in scenario] This scenario may face uncertainties due to potential changes in national climate policies and the tightening of environmental regulations, which could modify greenhouse gas emission trajectories. Additionally, limitations such as the pace of technological advancements may result in alternative outcomes.

(5.1.1.11) Rationale for choice of scenario

The Korea Meteorological Administration(KMA), which provides climate change scenarios, recommends the use of Shared Socioeconomic Pathways (SSP) because the recently developed scenarios better reflect social and economic systems, technological advancements, population changes, greenhouse gas emissions and concentrations, and the role of aerosols, compared to past scenarios. The RCP 8.5 and SSP5-8.5 high-carbon scenario provided by the KMA significantly deviates from the Paris Agreement's target of limiting the increase in global average temperature to below 2C above pre-industrial levels, with efforts to restrict it to 1.5C if feasible. RCP 8.5 and SSP5-8.5 models the most severe climate impacts under a continuation of current greenhouse gas emission trends, presenting an extreme scenario. By utilizing this scenario in our physical risk assessments, we aim to clearly understand the discrepancies from the Paris targets and prepare for the extreme impacts of climate change, thereby enhancing our business resilience. RCP 8.5 and SSP5-8.5 predict significant changes in climate indices for the Korean Peninsula by 2100, including an average temperature increase of 7.1C (from 12.4C to 19.5C), a 72-day increase in summer length (from 97 days to 169 days), and a 51.5% increase in precipitation (from 1,254.5mm to 1,900.9mm). Notably, in the area where Hyosung's Anyang plant is located, the number of heatwave days is expected to rise from 24 days in 2023 to 118 days by 2100, illustrating the escalating impact of climate change based on location. Extreme climate change in RCP 8.5 and SSP5-8.5 can cause various accidents and problems in Hyosung's business sector, such as property and human damage, loss of products, and deterioration in the quality of products produced. In particular, due to the characteristics of the 'yarn' produced, active responses based on scenario analysis are needed because problems such as quality degradation(possibility of dyeing change) due to flooding and leakage can lead to financial impact. To actively respond to the expected damage, Hyosung recognized climate change as a major issue and set a goal of reducing GHGs emission by 23.6% by 2030 compared to 2018 to contribute to curbing global warming. In the future, we will monitor continuous GHGs emissions and national GHGs reduction scenarios, apply them to the establishment of reduction goals for 2030-2050, and actively participate in global GHGs reduction.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

Customized publicly available climate transition scenario, please specify :South Korea's 2030 NDC and 2050 carbon neutrality goals in line with the 1.5°C scenario proposed by the IPCC

(5.1.1.3) Approach to scenario

Select from:

- Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

- Country/area

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Policy
- Market
- Liability
- Reputation
- Technology
- Acute physical
- Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 1.5°C or lower

(5.1.1.7) Reference year

2018

(5.1.1.8) Timeframes covered

Select all that apply

- 2030
- 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- ✓ Changes to the state of nature
- ✓ Number of ecosystems impacted
- ✓ Changes in ecosystem services provision
- ✓ Climate change (one of five drivers of nature change)

Stakeholder and customer demands

- ✓ Consumer attention to impact

Regulators, legal and policy regimes

- ✓ Global regulation
- ✓ Global targets

Direct interaction with climate

- ✓ On asset values, on the corporate
- ✓ Perception of efficacy of climate regime

Macro and microeconomy

- ✓ Domestic growth
- ✓ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

[Assumptions in scenario] Hyosung intends to analyze the publicly transition scenario of the Republic of Korea, where its business is located, to incorporate them into its business strategy. To comply with the NDC reporting obligations under the Paris Agreement and respond to climate change, the Republic of Korea has established the "2030 NDC" and the "2050 Carbon Neutral Scenario," aligning with the 1.5 scenario presented by the IPCC. The key parameters used in the scenario include population trends, GDP growth rate trends, international oil prices, and industrial structure outlooks, which have been used to project energy demand and greenhouse gas emissions until 2050. It is expected that energy demand will decrease by 5.0% in 2050 compared to 2018 and an increase in energy demand is expected from new technologies such as CCUS and hydrogen. In terms of final energy, consumption of fossil fuels that emit greenhouse gases is expected to decrease significantly, and demand for electricity, renewable energy, and hydrogen is expected to increase significantly. In the case of GHGs emissions, the net emissions in 2050 were set to 0 in the scenario in consideration of energy projections and the introduction of reduction measures. [Assumptions Regarding the Severity or Intensity of External Factors] If this scenario leads to a successful response to climate change, it is expected to benefit ecosystems and biodiversity by reducing habitat destruction and

stabilizing endangered species populations. By responding effectively to climate change and adopting sustainable technologies, our company will aid in ecosystem restoration and resource management, enhancing supply chain and operational processes efficiency. This strategy offers a chance to improve our brand image and market share, aligning with increasing consumer environmental awareness and supporting long-term growth. Additionally, it will reduce risks such as physical asset damage, rising operational costs, and higher insurance premiums, leading to increased asset value and improved financial stability. [Uncertainties and Constraints in scenario] Since this scenario aligns with the enhanced 1.5C target, achieving it will require major energy transitions, technological innovations, and industrial changes. These adjustments may introduce constraints, such as financial burdens and technical challenges, which could increase uncertainties within the industry.

(5.1.1.11) Rationale for choice of scenario

Hyosung has analyzed the 1.5C scenario proposed by the IPCC in line with South Korea's 2030 NDC and 2050 carbon neutrality goals. The EU has introduced a carbon tax policy that compels export companies to reduce carbon emissions while passing the economic costs onto businesses. If we do not proactively address these scenarios and a similar carbon tax is applied to our sector, we could face significant financial losses in the short term and reduced export competitiveness in the long term. To mitigate these risks, we are forecasting future scenarios to enhance our ability to respond to carbon taxes, maintain export competitiveness, and minimize financial risks, thereby strengthening our business strategy's resilience. This scenario supports efforts to keep global temperature rise below 1.5C compared to pre-industrial levels, in line with the Paris Agreement. In alignment with the national greenhouse gas reduction targets for the industrial sector, we have established reduction goals and are striving to achieve them by implementing low-carbon technologies. This includes the replacement of outdated equipment with high-efficiency systems at Anyang Plant. According to the scenarios, the projected energy demand in the industrial sector, to which Hyosung belongs, is expected to be 139.3 million TOE, similar to 148.7 million TOE in 2018. In addition, during the process of achieving carbon neutrality, a significant portion of fossil fuel consumption in the industrial sector is expected to be replaced by electricity, resulting in a projected overall greenhouse gas emissions reduction to 51.1 million tons, an 80.4% reduction compared to 260.5 million tons in 2018. Hyosung have set a company-wide goal of a 23.6% reduction by 2030 compared to 2018, which is more stringent than the 11.4% reduction target for the industrial sector proposed in the 2030 NDC. In the future, we will monitor continuous GHGs emissions and national GHGs reduction scenarios, apply them to the establishment of reduction goals for 2030-2050, and actively participate in global GHGs reduction.

[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- Risk and opportunities identification, assessment and management
- Strategy and financial planning
- Resilience of business model and strategy
- Capacity building
- Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

- Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

Hyosung chose a transition scenario that is consistent with the NDC and 2050 LEDS scenario in South Korea and a physical scenario RCP 8.5 and SSP5-8.5 to respond to the worst-case physical climate change situation. According to the scenarios, we tried to confirm Hyosung's 2030 reduction goal, the possibility of implementing the 2050 carbon neutral goal, Scope 1 and 2 emission reduction plan, and expected business opportunities and expected sales due to market changes. In relation to the transition scenario, Hyosung analyzed the greenhouse gas reduction target set by the South Korean government for the industry sector, including our company's achievable Scope 1 and 2 emission reduction measures and technological status. As a result of the analysis, we found the increasing demand for eco-friendly products in the market and our company's continuous development and commercialization of eco-friendly products should be achieved. Failure to properly respond to climate change and consumers' needs for eco-friendly products causing a decline in reputation and revenue in the market. In response, we have established R&D directions and developed a medium- to long-term sales plan for low-carbon products, aiming for a 2,860% increase in sales of eco-friendly products utilizing renewable and bio-based materials by 2028 compared to 2018. As a result of physical scenario analysis, it was confirmed that the Earth's temperature has been continuously rising recently, and the possibility of disaster risk is increasing due to extreme climate phenomena. Disasters such as extreme precipitation, drought, and heat waves can cause damage to Hyosung's business sites, assets, and workers, and if the production line is suspended due to destruction of manufacturing sites, production can be disrupted and financial damage may occur. In order to respond to the risks derived through scenario analysis as above, Hyosung monitored the national reduction target and the government's greenhouse gas reduction policy, and set a goal of reducing GHGs emission by 23.6% by 2030 compared to 2018. Additionally, we reported to the BOD that we plan to invest approximately KRW 5 billion over the next eight years, from 2023 to 2030, to implement reduction activities.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

- No, but we have a climate transition plan with a different temperature alignment

(5.2.2) Temperature alignment of transition plan

Select from:

2°C aligned

(5.2.3) Publicly available climate transition plan

Select from:

Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

The reason for not explicitly committing to cease all spending on and revenue generation from activities contributing to fossil fuel expansion is that Hyosung has adopted a gradual transition strategy, considering both the sustainability of our business and financial stability. Our long-term goal is to reduce fossil fuel usage, and we are making various efforts to achieve this, including enhancing energy efficiency and reducing carbon emissions. Additionally, we are progressing with a gradual transition in alignment with the current legal and regulatory environment.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

Hyosung is reporting environmental agendas including climate change plans to the board of directors and the. In July 2023, it reported a goal to reduce greenhouse gas emissions by 23.6% by 2030 compared to 2018, and a reduction plan under this climate change plan. Hyosung's CEO, Chairman Cho Hyun-joon, is the chairman of the board of directors, and directly feeds back Hyosung's shares as the largest shareholder with 22% as of the end of 2023 and 57.75% as of September 2024. In addition, overseas shareholders such as Black Rock and US Matthews are directly inquiring about the current status of the hydrogen business under Hyosung's climate change plan, while domestic shareholders such as Shinhan Asset Management send a "carbon neutral shareholder letter" every year and give feedback through inquiries about Hyosung's reduction goals or sales by K-Taxonomy sector.

(5.2.9) Frequency of feedback collection

Select from:

More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Hyosung' transition plan is based on the following key assumptions and dependencies. We anticipate ongoing advancements in our low-carbon technologies and high-efficiency energy equipment. Our plan also includes several key dependencies. The pace of technological advancements and the ability to resolve technical issues are critical to the success of the plan. Furthermore, changes in government policies and regulations, economic conditions, and the stability of our partners and supply chain are essential for the smooth implementation of the transition plan. Therefore, we will continuously monitor and manage these dependencies to respond promptly to changing conditions and ensure the successful execution of our plan.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Hyosung reduced its greenhouse gas emissions by 15% in the reporting year, exceeding the annual reduction originally planned. Hyosung is continuously investing in greenhouse gas reduction projects to achieve the transition plan, and continues to R&D for low-carbon products to convert to eco-friendly businesses

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

5.2 Climate transition plan(23 Hyosung sustainability report)_ENG.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

Plastics

Biodiversity

(5.2.14) Explain how the other environmental issues are considered in your climate transition plan

Hyosung considers biodiversity and other environmental issues as crucial aspects of its climate transition plan and is actively implementing specific plans and initiatives to address these challenges. In 2022 and 2023, Hyosung Corporation, Hyosung TNC, and Hyosung Heavy Industries collaborated with the Korea Fisheries Resources Agency and Geoje-si to transplant 10,000 seagrass seedlings, known for their high carbon absorption capacity, across 0.44 hectares around the Dadae-Dapo Port area. The Korea Fisheries Resources Agency analyzed the ecological environment before and three years after the creation of the seagrass forest, confirming that the number of benthic organisms increased by 2.5 times, the number of species by 1.5 times, and the species diversity index by 1.2 times, demonstrating the effectiveness of seagrass forest in ensuring the health of the marine ecosystem. Additionally, from 2024 to 2027, Hyosung Corporation, Hyosung TNC, Hyosung Heavy Industries, Hyosung Advanced Materials, and Hyosung Chemical, in cooperation with the Ministry of Oceans and Fisheries, the Korea Fisheries Resources Agency, and Wando-gun, plan to plant 40,000 seagrass plants and create a sea forest composed of seaweeds across approximately 159 hectares of tidal flats around Wando. In addition, in order to reduce the use of Virgin Chip, a plastic used in Hyosung's textile production, and seek new business

opportunities, Recycle Chip made of waste fishing nets, waste pet bottles, and process waste, and Bio raw materials made by fermenting sugar extracted from corn were developed and applied to production.

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:

- Lack of internal resources, capabilities, or expertise (e.g., due to organization size)

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

Hyosung promotes green management and sustainable management including climate change and also recognized the importance. Accordingly, climate change-related risks and opportunities are analyzed, and a management strategy is established that reflects the results. Based on the reporting year, a conversion plan to comply with 1.5 scenario is not established yet, but Hyosung is establishing the conversion plan reflecting the relevant information in the future.

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

- Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- Products and services
- Upstream/downstream value chain
- Investment in R&D
- Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Due to climate change, the market for sustainable products is expanding due to the revitalization of the circular economy such as recycling products, and the demand for carbon-reducing bio-based plastic materials is also increasing. In line with this, Hyosung has developed automotive floor carpets and automotive floor mats using recycling and biomaterials. We are supplying recycled automotive floor carpets and automotive floor mats products by using abandoned fishing nets, or Hyosung's spinning process waste and nylon and polyester recycled chips produced using process waste generated by the recycling chip company. For products using recycled raw materials, GRS (Global Recycled Standard) certification is obtained, and LCA is also calculated to calculate the carbon footprint and negative environmental impact reduction compared to existing products. In addition, we are developing a single material automotive carpets that simplifies the material to facilitate recycling in the disposal stage. If we fail to respond quickly to this shift, we risk losing competitiveness and customer trust, which could lead to a decline in sales.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Hyosung is an intermediate goods manufacturer and needs joint risk management with suppliers and customers. We recognize these risks in advance and actively responds, strengthening trust and enhancing market competitiveness, thereby turning risks into opportunities for sustainable management. (Upstream) For supply chain management, Hyosung manages goal and promotion system of shared growth, and operates and manages programs such as consulting on energy reduction, supporting the installation of reduction facilities, and supporting sustainable management education for partner companies. - Hyosung provides energy diagnosis consulting for energy and GHG emissions reduction of suppliers. We diagnosed the processes and on-site environments of suppliers. The diagnostic results we provided included issues, improvement plans, investment costs, and an analysis of cost-efficiency. Moreover, for actual greenhouse gas emissions reduction achievement, we supported the costs associated with replacing greenhouse gas reduction facilities. - Establishment of Supplier Code of Conduct: Code of Conduct was established by reflecting not only quality, price, and management performance, but also environmental, safety, and compliance with legal requirements that can act as risks related to climate change. - Supplier Sustainability Management Education and Consulting: To improve their understanding and easily apply to management activities, specialized consulting is provided to support Sustainability Management overall job training, including human rights, ethics, supply chain, environment, safety, and climate change. (Downstream) Hyosung received requests from customers for GHGs emissions, information on responding to climate change, raising reduction targets, submission of Sustainable Management Data, products using biological raw materials or recycled raw materials, and development of single-material products that increase recyclability after disposal. Failure to immediately respond to the needs and preferences of customers is expected to result in an increase in negative reputational opinions from customers as a risk. Furthermore, Hyosung recognizes it as a critical risk to generate a direct decrease in sales such as transaction suspension and contract cancellation. To meet customer needs, Hyosung is demonstrating the eco-friendliness of its products by publishing sustainability reports, developing and producing eco-friendly products, obtaining GRS certification for major eco-friendly products, and performing product LCA. Hyosung calculated product carbon footprints for eight Polyester Automotive Floor Carpet products, three Bio Polyester Automotive Floor Carpet products, and six Nylon Automotive Floor Carpet products. Hyosung conducted a life cycle impact assessment (LCA) on automotive floor carpets and automotive floor mats (Pet, NY, Bio-Pet, Recycle Pet, Recycle NY) in 2023 and is scheduled to undergo third-party verification in 2024.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Hyosung continues to carry out R&D in order to secure new growth engines and strengthen capabilities of the existing projects. R&D Committee discuss the R&D status of major items and reflect customers' requirements including climate change issues in R&D strategies in timely manner. The customers' demands for eco-friendly products and materials globally increase and the attention to eco-friendly and value-centered consumption grows. In order to cope with the market change and to meet customers' needs, Hyosung changes its products into eco-friendly ones through continuous R&D. Hyosung has developed high-strength recycled polyester yarn which is made of raw materials extracted from waste plastics. After securing the required properties by using recycled polyester chips, we have obtained Global Recycle Standard (GRS) certification and is working on commercialization technology development. Hyosung developed bio-based spandex by polymerizing bio material from fermented corns., we have improved the purity of nylon yarn's chemical recycle raw materials, developed chemical recycled polyester yarn, and developed high-strength mechanical recycled sewing PET yarn technology. We also plan to research material separation of waste fabric/waste clothing and develop monomer refining technology. As the global market demands for eco-friendly devices capable of reducing emissions and biodegradation of harmful substances increase,. Hyosung research centers is leading the development of eco-friendly products such as transformers and breaks replacing equipment's insulators with eco-friendly materials. Hyosung developeo transformers using ester oil instead of the existing mineral oil and continuously promotes R&D for stability and performance improvement. And an eco-friendly gas insulated switchgear is developed to replace the existing SF6 gas(23,900kgCO2eq/kgSF6) with Novec Mixture gas(about 500kgCO2eq/kgNovec Mixture gas). Hyosung invested about KRW 16.8 billion in R&D expenses in 2023, of which KRW 11.6 billion was related to eco-friendly products. In 2024, eco-friendly R&D plans to execute about 2.5 times the amount of research funds compared to 2023.

Operations

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Hyosung has been responding to the government's GHG regulations by reporting emissions and submitting monitoring plans every year. The emissions report is verified by third party agency before being submitted to the government. Moreover, we also plan a budget for emissions reduction and energy efficiency investment every year to fulfill the obligation to reduce GHG. Against the total emissions of Hyosung, emissions from electricity use account for 70%, and the company is carrying out activities to reduce power use. If we do not adequately carry out reduction activities, we may face financial risks associated with the need to purchase additional emission allowances. Conversely, if we actively pursue reduction activities and achieve lower emissions, we may generate surplus allowances that can be sold for profit. Thus, we focus on sustainable management to effectively manage risks and simultaneously create new revenue streams. Hyosung monitored the national

reduction target and the government's greenhouse gas reduction policy, and set a goal of reducing GHGs emission by 23.6% by 2030 compared to 2018. Additionally, we reported to the BOD that we plan to invest approximately KRW 5 billion over the next eight years, from 2023 to 2030, to implement reduction activities.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

Revenues

(5.3.2.2) Effect type

Select all that apply

Risks

Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

The revenues of eco-friendly products continuously increase for the past 6 years. The revenues rose approximately 6 times compared to 2018. In 2023, sales of eco-friendly products are KRW 6.1 billion, and sales of eco-friendly products are expected to generate about KRW 26 billion by 2028.

Row 2

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

Indirect costs

(5.3.2.2) Effect type

Select all that apply

Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Of the indirect costs for production in Hyosung, energy costs are KRW 4,593 million, accounting for 1% of the total operating costs in 2023. Due to climate change, heat waves and cold waves are increasing, and temperatures in domestic businesses sites are managed within a certain range for the sake of product quality in the production process, which can lead to increases in air-conditioning or heating costs. Hyosung ensures that power consumption amount does not exceed a certain limit in preparation for power peak policy implemented in in Korea. Moreover, we also include energy costs from heat wave and cold wave in the financial plan and annual budget.

Row 3

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

Assets

(5.3.2.2) Effect type

Select all that apply

Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning

elements

Select all that apply

Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Hyosung is reducing emissions through facility replacement and energy efficiency projects every year, and the necessary financial resources are reflected in the annual budget of Anyang plant, technical centers and research centers. Hyosung reported to the board of directors a plan to invest about KRW 5 billion in reduction activities for eight years from 2023 to 2030 to implement the emission trading system and achieve the reduction goals.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

| | Identification of spending/revenue that is aligned with your organization's climate transition | Methodology or framework used to assess alignment with your organization's climate transition | Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy |
|--|--|---|---|
| | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> A sustainable finance taxonomy | Select from: <input checked="" type="checkbox"/> At the organization level only |

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

- A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

- Other, please specify :Korea-Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

- Total across climate change mitigation and climate change adaption

(5.4.1.5) Financial metric

Select from:

- Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

6084000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

1.14

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

2.21

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

8.43

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

In order to prevent green washing and communicate transparently with stakeholders, Hyosung has established its own sustainable product and service classification system by reflecting the green classification system and environmental certification of Korea and the EU, and is also applying the classification system to the compliance evaluation of the climate change plan. Hyosung classified products and services related to the six environmental goals suggested in the green classification system: greenhouse gas reduction, climate change adaptation, sustainable conservation of water, conversion to a circular economy, pollution prevention and management, and biodiversity conservation. In the Korean green classification system, activity standards, recognition standards, exclusion standards, and protection standards are evaluated for eligibility, and only when all four criteria are satisfied. Hyosung reviewed the activity standards whether its own classified products and services are included in the 74 economic activities that contribute to environmental improvement, and in addition, considered whether to obtain third-party environmental certification. As a result, Hyosung determined that products using recycled raw materials and biomaterials were in line with the climate change plan, and compiled and disclosed the sales of the product. In order to increase the suitability of the climate change plan and the green classification system, it plans to expand the review of recognition standards, exclusion standards, and protection standards in the future.

[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

Hyosung reviewed the activity standards whether its own classified products and services are included in the 74 economic activities that contribute to environmental improvement, and in addition, considered whether to obtain third-party environmental certification. As a result, Hyosung determined that products using recycled raw materials and biomaterials were in line with the climate change plan, and compiled and disclosed the sales of the product.

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:

No

(5.4.3.4) Please explain why you will not be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Hyosung has established its own sustainable product and service classification system by reflecting the green classification system and environmental certification of Korea and the EU, and is also applying the classification system to the compliance evaluation of the climate change plan. The classification system was first applied in the reporting year, and only the activity criteria among the four eligibility evaluation criteria—activity criteria, recognition criteria, exclusion criteria, and protection criteria—were reviewed. In the future, to enhance compatibility with the climate transition plan and the green classification system, we plan to expand the review to include the recognition criteria, exclusion criteria, and protection criteria. After completing the eligibility review of all four criteria, we intend to seek verification.

[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:

Yes

(5.5.2) Comment

Hyosung continues to carry out R&D in order to secure new growth engines and strengthen capabilities of the existing projects. R&D Committee discuss the R&D status of major and reflect customers' requirements including climate change issues in R&D strategies in timely manner. The customers' demands for low-carbon products and materials globally increase and the attention to eco-friendly and value-centered consumption grows. In order to cope with the market change and to meet customers' needs, Hyosung changes its products into eco-friendly ones through continuous R&D. Hyosung has developed high-strength recycled polyester yarn which is made of raw materials extracted from waste plastics. After securing the required properties by using recycled polyester chips, we have obtained Global Recycle Standard (GRS) certification and is working on commercialization technology development. Hyosung developed bio-based spandex by polymerizing bio material from fermented corns. Hyosung improves the purity of nylon yarn's chemical recycling raw materials, develops chemical recycling polyester yarn, develops high-strength mechanical recycling PET yarn, and plans to develop separating waste fabric/waste garment technology and develop monomer refining technology. Hyosung research centers is leading the development of eco-friendly products such as transformers and breaks replacing equipment's insulators with eco-friendly materials. An eco-friendly gas insulated switchgear is developed to replace the existing SF6 gas(23,900kgCO2eq/kgSF6) with Novec Mixture gas(about 500kgCO2eq/kgNovec Mixture gas). Hyosung invested about KRW 16.8 billion in R&D expenses in 2023, of which KRW 11.6 billion was related to eco-friendly products. In 2024, eco-friendly R&D plans to execute about 2.5 times the amount of research funds compared to 2023.

[Fixed row]

(5.5.2) Provide details of your organization's investments in low-carbon R&D for capital goods products and services over the last three years.

Row 1

(5.5.2.1) Technology area

Select from:

Recycling

(5.5.2.2) Stage of development in the reporting year

Select from:

Pilot demonstration

(5.5.2.3) Average % of total R&D investment over the last 3 years

8

(5.5.2.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

1330000000

(5.5.2.5) Average % of total R&D investment planned over the next 5 years

20.1

(5.5.2.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

In order to realize the opportunity to change consumer preferences for recycled products, Hyosung is expanding its eco-friendly R&D. In 2007, Hyosung developed the world's first recycled nylon yarn production technology using abandoned fishing net, and Korea's first recycled polyester yarn using waste pet bottles. Since then,, we have improved the purity of nylon yarn's chemical recycle raw materials, developed chemical recycled polyester yarn, and developed high-strength mechanical recycled sewing PET yarn technology. We also plan to research material separation of waste fabric/waste clothing and develop monomer refining technology. In 2024, eco-friendly R&D plans to execute about 2.5 times the amount of research funds compared to 2023.

[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

| | Use of internal pricing of environmental externalities | Environmental externality priced |
|--|--|--|
| | <i>Select from:</i> <input checked="" type="checkbox"/> Yes | <i>Select all that apply</i> <input checked="" type="checkbox"/> Carbon |

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

- Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- Navigate regulations
- Drive energy efficiency
- Drive low-carbon investment
- Conduct cost-benefit analysis
- Identify and seize low-carbon opportunities
- Influence strategy and/or financial planning
- Setting and/or achieving of climate-related policies and targets
- Incentivize consideration of climate-related issues in decision making
- Incentivize consideration of climate-related issues in risk assessment

(5.10.1.3) Factors considered when determining the price

Select all that apply

- Alignment with the price of allowances under an Emissions Trading Scheme

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The internal carbon price set by Hyosung is based on the closing market price of the first business day of the first week of October of Korea Emission Trading System

(5.10.1.5) Scopes covered

Select all that apply

- Scope 1
- Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

- Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

- Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

The internal carbon price set by Hyosung is based on the closing market price of the first business day of the first week of October of Korea Emission Trading System. Therefore, the internal carbon price fluctuates according to the flow of KAU's transaction amount every year. When Hyosung's Strategy Headquarter establishes an annual management plan, it sets internal carbon price and shares it throughout the company. The internal carbon price set by Hyosung is KRW 31,000/ton in 2022, KRW 25,700 in 2023, and KRW 14,000 in 2024. In the roadmap for national 2030 reduction goals, Korea plans to make a sharp reduction during the 4th phase period (2026-2030). Therefore, the price increase due to the lack of emission permits is expected during the 4th phase period.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

14000

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

31000

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

- Capital expenditure
- Operations
- Risk management
- Opportunity management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

- Yes, for some decision-making processes, please specify :Strategic decision-making such as business directions and investments, accounting for the cost of surplus or shortage of emissions allowances under the Emissions Trading System, establishing energy usage plans for business sites

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

5.7

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

- Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

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. When selling or purchasing emission allowances due to surplus or lack of allocation emission allowances, it is reflected in cost according to the contribution of each Performance Unit and applied to establish provision for the expected shortage of emission allowances. This is affecting the promotion of greenhouse gas reduction activities for the relevant Performance Units. Investment proposals and reports on facility investments and fuel conversions are reviewed by green management personnel to ensure effective GHGs reduction and management of allowance surpluses and shortages. For example, internal carbon pricing informs decision-making for projects such as replacing outdated factory equipment, investing in high-efficiency facilities, transitioning fuels.

[Add row]

(5.11) Do you engage with your value chain on environmental issues?

| | Engaging with this stakeholder on environmental issues | Environmental issues covered |
|--------------------------------|---|---|
| Suppliers | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change |
| Customers | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change |
| Investors and shareholders | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change |
| Other value chain stakeholders | Select from: <input checked="" type="checkbox"/> Yes | Select all that apply <input checked="" type="checkbox"/> Climate change |

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

51-75%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

Hyosung classified 28 suppliers, which account for more than 95% cumulatively based on the purchase amount for production, as suppliers with significant environmental dependence. This is because the purchase amount is proportional to the use of raw and subsidiary materials of our products, which is also directly related to the upstream Scope 3 emissions.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

51-75%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

28

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change
- Business risk mitigation
- Leverage over suppliers
- Material sourcing
- Procurement spend

(5.11.2.4) Please explain

Hyosung's supplier is a raw and subsidiary material company necessary for the manufacture of textile and automotive mat products such as nylon chips, polyester chips, and nonwoven fabrics, and we maintain a stable supply chain by supporting the sustainable growth of our engagement suppliers. Hyosung is selecting considering the proportion of purchase amount, procurement of raw and subsidiary materials, influence on suppliers, and contribution to Scope 3 emissions as priorities for engagement. The high proportion of the purchase amount can be judged to be our main raw material at the same time as the supplier's high material procurement capability, and the impact on our upstream Scope 3 emissions is also high.

[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

- Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

- Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Hyosung has established code of conduct related to the sustainability of suppliers, including matters related to environmental issues, has compliance provisions in standard purchase contracts, and is receiving a pledge to comply with supplier code of conduct when signing a contract. In addition, Hyosung conducts re-evaluations of existing partners and takes follow-up actions based on the evaluation outcomes. As a result of the re-evaluation, warnings and guidance are conducted for supplier rated D, and special reviews are conducted within 3 months. Hyosung provides professional consulting to improve suppliers' understanding of ESG activities and to facilitate application to their business operations. This includes job training on various aspects of ESG, including environment and climate change response. Moreover, tailored ESG management guidebooks are provided to help suppliers meet the increasing demand for sustainable management. Hyosung conducts on-site diagnostics at suppliers to identify methods for cutting energy losses and consumption, such as replacing inefficient equipment with high efficiency ones. We provide support to implement these methods, helping suppliers reduce energy usage costs.

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

Compliance with an environmental certification, please specify :It does not require ISO14001 certification, but requires dedicated organizations and environmental management that comply with environmental regulations equivalent to that certification.

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

Fines and penalties

First-party verification

Grievance mechanism/ Whistleblowing hotline

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

- Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics
- Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance
- Providing information on appropriate actions that can be taken to address non-compliance
- Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

Hyosung has established code of conduct related to the sustainability of suppliers, including matters related to environmental issues, has compliance provisions in standard purchase contracts, and is receiving a pledge to comply with supplier code of conduct when signing a contract. In addition, Hyosung conducts re-evaluations of existing partners and takes follow-up actions based on the evaluation outcomes. A (Over 90 points): Priority given to the contract, exempt from reevaluation the following year B (Over 80 points): Priority given to the contract C (Over 70 points): Maintain transaction D (Over 60 points): Warning and guidance, special review within 3 months E (Under 60 points): Stop transaction
[Add row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

- Provide training, support and best practices on how to set science-based targets

Financial incentives

- Feature environmental performance in supplier awards scheme
- Provide financial incentives for suppliers increasing renewable energy use

Innovation and collaboration

- Run a campaign to encourage innovation to reduce environmental impacts on products and services

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

100%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

100%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

[Criteria and ratio for selecting suppliers for engagement] Hyosung does not limit its scope for coexistence of the value chain, but opens engagement opportunities such as climate change response and adaptation, sustainable management education and consulting support for all suppliers. Among them, the proportion of primary suppliers with significant environmental dependence or impact is considered to be 18 out of 28 suppliers, which are 95% of the cumulative transaction amount related to production. The ratio of the number of suppliers is 64.3% (18 suppliers /28 suppliers), and the purchase amount is 66.2% (KRW 34.6 billion/KRW 52.3 billion).

[Quantitative criteria] The criterion for measuring the success of Hyosung's supplier engagement is the number of suppliers evaluated as the top two grades (A, B) among the five grades (A, B, C, D, E) classified through the 'Supply Chain Sustainability Assessment'. In 2023, 18 out of 28 suppliers, 95% of the cumulative transaction amount related to production, were evaluated, and all re-evaluated suppliers were rated A. [Results and influences] Hyosung gives priority to contracts to excellent suppliers and supports additional incentives such as improvement of payment conditions. Outperforming suppliers have an opportunity to win a special Hyosung Award at the end of the year and provide prize money. Hyosung provides energy diagnosis consulting to suppliers who have received an A grade as a result of re-evaluation to reduce energy and GHGs emissions. In addition, the cost of replacing GHGs reduction facilities was supported so that the actual GHGs reduction effect could be achieved. Hyosung expects to reduce annual electric energy by 87 MWh and 40 tons of GHGs emissions by reducing heat dissipation losses by supporting the installation of insulation covers to major raw and subsidiary materials suppliers in 2023. (23 SR p.19) Lower-grade (C,D) suppliers are provided with opportunities to participate in ESG education programs to mitigate risks and improve the sustainability management capabilities. In 2023, there were no lower-grade suppliers, but education and consulting were provided to 14 suppliers.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

Yes, please specify the environmental requirement :It does not require ISO14001 certification, but requires dedicated organizations and environmental management that comply with environmental regulations equivalent to that certification.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

- Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

- Share information about your products and relevant certification schemes
- Share information on environmental initiatives, progress and achievements

Innovation and collaboration

- Align your organization's goals to support customers' targets and ambitions
- Collaborate with stakeholders on innovations to reduce environmental impacts in products and services

(5.11.9.3) % of stakeholder type engaged

Select from:

- 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

- 76-99%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Due to climate change and changes in consumer behavior, customers want environmental, social and governance sustainability information, including Hyosung's

GHGs emissions, energy usage, and eco-friendly product certification information such as GRS(Global Recycled Standard). Therefore, Hyosung is publishing a sustainability report and disclosing it on its website so that all customers can check our sustainability information even if the customer does not directly request us to share the information. Among the customers, Hyundai Motor and Kia Motors are requesting their supplier including Hyosung to raise their GHGs reduction targets, participate in CDP, and calculate product LCA in order to achieve their climate response goals. Hyosung is cooperating with these customers by selecting them as targets for engagement in consideration of business impact. Of the 39,812 tons of emissions of Category 9,12, which is a downstream calculation item within Hyosung Scope 3, Hyundai Motor and Kia Motors, which are engagement customers, account for 33,623 tons, accounting for 84.5% of the total emissions.

(5.11.9.6) Effect of engagement and measures of success

[Quantitative criteria] Hyosung's engagement success criterion is the response rate to a customer's climate change-related request, and if 100% is achieved, the engagement is considered successful. [The impact of engagement on climate change issues] In 2023, Hyosung received requests from two customers (Hyundai Motor and Kia Motors) for environmental, social and governance sustainability information, including GHGs emissions and energy use, raised greenhouse gas reduction targets, participated in CDP, developed low-carbon products, and calculated product LCA, and responded to all requests. As a result of engagement with customers, we reviewed various reduction projects and established stronger reduction goals than before. In addition, in order to reduce the carbon emission of products, it was possible to avoid 0.31 kgCO2/m2 of greenhouse gas emissions by changing polyester chips, a major raw material for automotive mats, from petrochemical products to bio products. In 2023, by selling bio-polyester automotive carpet products, 78 tons of customer Scope 3 emissions could be avoided. [Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

Row 1

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

Climate change

(5.12.4) Initiative category and type

Change to supplier operations

Assess life-cycle impact of products or services to identify efficiencies

(5.12.5) Details of initiative

Performance LCA evaluation for the CFP measurement and reduction

(5.12.6) Expected benefits

Select all that apply

- Increased transparency of upstream/downstream value chain
- Reduction of own operational emissions (own scope 1 & 2)
- Other, please specify :Reduction of upstream value chain emissions (own scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

- Other, please specify :After two years of evaluating the entire life footprint for the same product, it is possible to calculate whether or not to reduce carbon and the amount of carbon reduction after evaluating the lifetime footprint.

(5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

Select from:

- Yes, lifetime CO2e savings only

(5.12.9) Estimated lifetime CO2e savings

0

(5.12.11) Please explain

After two years of evaluating the entire life footprint for the same product, it is possible to calculate whether or not to reduce carbon and the amount of carbon reduction after evaluating the lifetime footprint. After that, it is possible to estimate timeframe for realization of benefits.

Row 2

(5.12.1) Requesting member

Select from:

(5.12.2) Environmental issues the initiative relates to

Select all that apply

- Climate change

(5.12.4) Initiative category and type

Change to supplier operations

- Assess life-cycle impact of products or services to identify efficiencies

(5.12.5) Details of initiative

Performance LCA evaluation for the CFP measurement and reduction

(5.12.6) Expected benefits

Select all that apply

- Increased transparency of upstream/downstream value chain
- Reduction of own operational emissions (own scope 1 & 2)
- Other, please specify :Reduction of upstream value chain emissions (own scope 3)

(5.12.7) Estimated timeframe for realization of benefits

Select from:

- Other, please specify :After two years of evaluating the entire life footprint for the same product, it is possible to calculate whether or not to reduce carbon and the amount of carbon reduction after evaluating the lifetime footprint.

(5.12.8) Are you able to estimate the lifetime CO₂e and/or water savings of this initiative?

Select from:

- Yes, lifetime CO₂e savings only

(5.12.9) Estimated lifetime CO2e savings

0

(5.12.11) Please explain

After two years of evaluating the entire life footprint for the same product, it is possible to calculate whether or not to reduce carbon and the amount of carbon reduction after evaluating the lifetime footprint. After that, it is possible to estimate timeframe for realization of benefits.

[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

| | |
|--|---|
| | Environmental initiatives implemented due to CDP Supply Chain member engagement |
| | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(5.13.1) Specify the CDP Supply Chain members that have prompted your implementation of mutually beneficial environmental initiatives and provide information on the initiatives.

Row 1

(5.13.1.1) Requesting member

Select from:

(5.13.1.2) Environmental issues the initiative relates to

Select all that apply

Climate change

(5.13.1.4) Initiative ID

Select from:

Ini1

(5.13.1.5) Initiative category and type

Relationship sustainability assessment

Align goals to feed into customers targets and ambitions

(5.13.1.6) Details of initiative

Hyosung plans to achieve a 20% reduction by 2030 compared to the goals of Hyundai Motor Co and Kia Motors Corp by investing in process improvement, high-efficiency facility replacement, and renewable energy (solar) generation in the mid- to long-term.

(5.13.1.7) Benefits achieved

Select all that apply

Reduction of own operational emissions (own scope 1 & 2)

(5.13.1.8) Are you able to provide figures for emissions savings or water savings in the reporting year?

Select from:

Yes, emissions savings only

(5.13.1.9) Estimated savings in the reporting year in metric tons of CO₂e

28.31

(5.13.1.11) Please explain how success for this initiative is measured

Hyosung plans to achieve a 20% reduction by 2030 compared to the goals of Hyundai Motor Co and Kia Motors Corp and the success of the initiative can be

measured by whether the goals emissions are achieved.

(5.13.1.12) Would you be happy for CDP Supply Chain members to highlight this work in their external communication?

Select from:

Yes

Row 2

(5.13.1.1) Requesting member

Select from:

(5.13.1.2) Environmental issues the initiative relates to

Select all that apply

Climate change

(5.13.1.4) Initiative ID

Select from:

Ini2

(5.13.1.5) Initiative category and type

Relationship sustainability assessment

Align goals to feed into customers targets and ambitions

(5.13.1.6) Details of initiative

Hyosung plans to achieve a 20% reduction by 2030 compared to the goals of Hyundai Motor Co and Kia Motors Corp by investing in process improvement, high-efficiency facility replacement, and renewable energy (solar) generation in the mid- to long-term.

(5.13.1.7) Benefits achieved

Select all that apply

Reduction of own operational emissions (own scope 1 & 2)

(5.13.1.8) Are you able to provide figures for emissions savings or water savings in the reporting year?

Select from:

Yes, emissions savings only

(5.13.1.9) Estimated savings in the reporting year in metric tons of CO2e

28.31

(5.13.1.11) Please explain how success for this initiative is measured

Hyosung plans to achieve a 20% reduction by 2030 compared to the goals of Hyundai Motor Co and Kia Motors Corp and the success of the initiative can be measured by whether the goals emissions are achieved.

(5.13.1.12) Would you be happy for CDP Supply Chain members to highlight this work in their external communication?

Select from:

Yes

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Korea's emission trading system requires corporations to set organizational boundaries based on the scope of operational control that corporations have dominant influence. As a company subject to the emission trading system, Hyosung has so far calculated emissions based on operational control and reported them to the state. Hyosung's subsidiary companies are reported to be included in the consolidated financial statements in accounting standards, but it is difficult to say that we has operation control. Therefore, Hyosung has set the operating boundaries for emission trading system as the boundaries for CDP reporting such as governance, strategy, and emission calculation. However, instead of reporting the subsidiary's emissions as not included in Hyosung's emissions, it is reported separately in No. 7.22. For associated companies, No. 7.8 reports greenhouse gas emissions from Scope 3 Category 15 Investment.

Plastics

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

It takes the same operational control approach as climate change.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

It takes the same operational control approach as climate change.

[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

Yes, a divestment

Yes, other structural change, please specify :Introduction of facilities, Closure of business sites

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

1. Divestment: Hyosung Chemical Corporation 2. Closure of business sites: Jeonbuk Creative Economy Innovation Center

(7.1.1.3) Details of structural change(s), including completion dates

1. The membrane research part of Hyosung's Anyang plant has been sold to Hyosung Chemical Corporation's Anyang plant. The emission was reduced as the membrane research part was excluded from the organizational boundary. The completion date is December 1, 2023. 2. The waste gas incineration facility at Hyosung's Anyang plant was introduced. Emissions increased as two kinds of waste gas incineration facilities were added at the organizational boundary. The introduction dates are September 4, 2023 and October 4, 2023. 3. Jeonbuk Carbon-specialized Start-up Incubation Center was closed. This business site reported the amount of electricity used by Hyosung by paying electricity bills. From January 1, 2023, the Jeonbuk Creative Economy Innovation Center paid electricity bills and escaped Hyosung's operational control. This reduced Hyosung's emissions.

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

(7.1.2.1) Change(s) in methodology, boundary, and/or reporting year definition?

Select all that apply

- Yes, a change in methodology
- Yes, a change in boundary

(7.1.2.2) Details of methodology, boundary, and/or reporting year definition change(s)

When calculating Scope 3, the emission coefficient have updated compared to last year. 1. The membrane research part of Hyosung's Anyang plant has been sold to Hyosung Chemical Corporation's Anyang plant. The emission was reduced as the membrane research part was excluded from the organizational boundary. The completion date is December 1, 2023. 2. The waste gas incineration facility at Hyosung's Anyang plant was introduced. Emissions increased as two kinds of waste gas incineration facilities were added at the organizational boundary. The introduction dates are September 4, 2023 and October 4, 2023. 3. Jeonbuk Carbon-specialized Start-up Incubation Center was closed. This business site reported the amount of electricity used by Hyosung by paying electricity bills. From January 1, 2023, the Jeonbuk Creative Economy Innovation Center paid electricity bills and escaped Hyosung's operational control. This reduced Hyosung's emissions.

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

- No, because the impact does not meet our significance threshold

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

Hyosung's GHG reduction goal is to reduce 23.6% of 2018 GHG emissions by 2030. Only Scope 1 and 2 emissions are included in the target, and they are regarded as a criticality criteria. In 2021, Hyosung Transworld Corp. was added to the organizational boundary. The emissions of Scope 1 and 2 in the base year of this

workplace were not recalculated because they did not meet the criticality criteria for recalculation. Hyosung Transworld Corp. 's emissions in 2023 are 51 tCO₂eq. Total GHG emissions (scope1scope2) in 2018 are 35,071 tCO₂eq. $51 / 35,071 * 100 = 0.15\%$ In 2021, Anyang HVDC testing facility was added to the organizational boundary. The emissions of Scope 1 and 2 in the base year of this facility were not recalculated because they did not meet the criticality criteria for recalculation. Anyang HVDC test facility's emissions in 2018 are 30 tCO₂eq. Total GHG emissions (scope1scope2) in 2018 are 35,071 tCO₂eq. $30 / 35,071 * 100 = 0.09\%$ In 2023, The membrane research part of Hyosung's Anyang plant has been sold to Hyosung Chemical Corporation's Anyang plant. The emissions of Scope 1 and 2 in the base year of this facility were not recalculated because they did not meet the criticality criteria for recalculation. The membrane research part of Hyosung Anyang plant has an emission of 1,256 tons. Total GHG emissions (scope1scope2) in 2018 are 35,071 tCO₂eq. $1,256 / 35,071 * 100 = 3.58\%$ In 2023, The waste gas incineration facility at Hyosung's Anyang plant was introduced. The emissions of Scope 1 and 2 in the base year of this facility were not recalculated because they did not meet the criticality criteria for recalculation. In 2023, The waste gas incineration facility at Hyosung's Anyang plant has an emission of 13 tons. Total GHG emissions (scope1scope2) in 2018 are 35,071 tCO₂eq. $13 / 35,071 * 100 = 0.04\%$ In the reporting year, Hyosung calculated emissions and reported GDP for 9 categories. Scope 3 emission data, however, is not managed yet so that Hyosung plans to set Scope 3 base year through more reliable data management in the future.

(7.1.3.4) Past years' recalculation

Select from:

No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

ISO 14064-1

The Greenhouse Gas Protocol: Scope 2 Guidance

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

Korea GHG and Energy Target Management System Operating Guidelines

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

(7.3.3) Comment

Location-based reporting reflects the emissions associated with the power consumed from the regional grid, whereas market-based reporting accounts for the emissions associated with the electricity that companies have chosen to purchase, such as renewable energy or power purchase agreements (PPAs). Market-based reporting provides a clearer picture of a company's efforts to reduce greenhouse gas emissions and the environmental impact of its electricity consumption. Currently, we do not engage in market-based activities such as purchasing renewable energy certificates (RECs) or entering into PPAs. However, we plan to manage our electricity-related emissions through such activities in the future. Once we undertake initiatives like REC purchases and PPA contracts, market-based reporting will enable us to more transparently and accurately reflect our electricity consumption-related emissions. This will allow us to more clearly demonstrate our environmental responsibility and provide reliable information to our stakeholders.

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2018

(7.5.2) Base year emissions (metric tons CO₂e)

(7.5.3) Methodological details

For the calculation of emissions, an activity data-based approach was utilized. Activity data is the usage by fuel at all domestic business sites. It was collected as purchase-based bills, receipts, ERP data. The applied fuel sources include gasoline, gas/diesel oil, heating oil, liquefied petroleum gas (LPG) for vehicles, city gas (liquefied natural gas, LNG), propane, etc. Emission factors were applied according to the Guidelines for Emission Reporting and Certification under the Greenhouse Gas Emission Trading Scheme. -Emission calculation: (annual fuel consumption X GHG emission factor by fuels) Hyosung conducts third-party verification on the greenhouse gas emissions calculated through the process and reports it to the government. Hyosung's Scope 1 emissions in total in a base year (2018) were calculated as 10,942.174 tCO₂eq'.

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2018

(7.5.2) Base year emissions (metric tons CO₂e)

24129.119

(7.5.3) Methodological details

For the calculation of emissions, an activity data-based approach was utilized. Activity data is the usage by fuel at all domestic business sites. It was collected as purchase-based bills, receipts, ERP data. The applied fuel sources include electricity and steam (heat). Emission factors were applied according to the Guidelines for Emission Reporting and Certification under the Greenhouse Gas Emission Trading Scheme. -Emission calculation: (annual fuel consumption X GHG emission factor by fuels) Hyosung conducts third-party verification on the greenhouse gas emissions calculated through the process and reports it to the government. Hyosung's total Scope 2 emissions in a base year (2018) were calculated as 24,129.119tCO₂eq'.

[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO₂e)

(7.6.3) Methodological details

For the calculation of emissions, an activity data-based approach was utilized. Activity data is the usage by fuel at all domestic business sites. It was collected as purchase-based bills, receipts, ERP data. The applied fuel sources include gasoline, gas/diesel oil, heating oil, liquefied petroleum gas (LPG) for vehicles, city gas (liquefied natural gas, LNG), propane, etc. Emission factors were applied according to the Guidelines for Emission Reporting and Certification under the Greenhouse Gas Emission Trading Scheme. -Emission calculation: (annual fuel consumption X GHG emission factor by fuels) Hyosung conducts third-party verification on the greenhouse gas emissions calculated through the process and reports it to the government. Hyosung's Scope 1 emissions in total in a reporting year (2023) were calculated as 8,670.463 tCO₂eq'.

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO₂e)

21137.869

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO₂e) (if applicable)

0

(7.7.4) Methodological details

For the calculation of emissions, an activity data-based approach was utilized. Activity data is the usage by fuel at all domestic business sites. It was collected as purchase-based bills, receipts, ERP data. The applied fuel sources include electricity and steam (heat). Emission factors were applied according to the Guidelines for Emission Reporting and Certification under the Greenhouse Gas Emission Trading Scheme. -Emission calculation: (annual fuel consumption X GHG emission factor by fuels) Hyosung conducts third-party verification on the greenhouse gas emissions calculated through the process and reports it to the government. Hyosung's total Scope 2 emissions in a reporting year (2023) were calculated as 21,137.869 tCO₂eq'.

[Fixed row]

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

62836

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

In the reporting year (2023), not only key raw materials including PET, NYLON, PP, Polyester Automotive Floor Carpets, LLDPE, PET fabric, latex, EVA, calcium carbonate but also waterworks and industrial water used in all domestic production sites were included for assessment. In 2023, emissions increased due to an increase in product purchase amount caused by an 8.0% increase in production at the Hyosung Anyang plant. For activity data (product purchase amount), actual product purchase amount data managed through the system is applied. For emission factors, the Ministry of Environment's national LCI DB for each raw material purchased is first applied. If there is no domestic DB, the overseas LCI DB is used as follows or the emission factor of a similar materials was applied. - Emission calculation: (annual raw material purchase X GHG emission factor by raw material) - Purchased PET(polyethylene terephthalate)(kg) X PET(polyethylene terephthalate) Emission Factor(kgCO₂eq/kg, Ministry of Environment LCI DB) - Purchased NYLON(Polyamide)(kg) X Polyamide Emission Factor(kgCO₂eq/kg, Ministry of Environment LCI DB) - Purchased PP(Polypropylene)(kg) X Polypropylene Emission Factor(kgCO₂eq/kg, Ministry of Environment LCI DB) - Purchased Polyester Automotive Floor Carpets(m²) X Polyester Automotive Floor Carpets Emission Factor(kgCO₂eq /m², CFP LCI DB) - Purchased LLDPE(kg) X LLDPE Emission Factor(kgCO₂eq/kg, Ministry of Environment LCI DB) - Purchased PET fabric(Polyester)(kg) X Polyester textile Emission Factor(kgCO₂eq/kg, Ecoinvent3.9.1) - Purchased Latex(kg) X Latex Emission Factor(kgCO₂eq/kg, Ecoinvent3.9.1) - Purchased EVA(Ethylene-vinyl acetate copolymer)(kg) X EVA Emission Factor(kgCO₂eq/kg, Ecoinvent3.9.1) - Purchased calcium carbonate(kg) X calcium carbonate Emission Factor(kgCO₂eq/kg, Ecoinvent3.9.1) - Water Usage(ton) X Water Emission Factor(Ministry of Environment LCI DB) Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Capital goods

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

953

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions related to purchase of 'Laptop, monitor, Tablet PC, PC main body and printer' and to rental of 'printers, and vehicles' were calculated. The emissions increased due to the additional calculations for tangible assets acquired in the current year. The activity data for purchased and rented capital goods was managed using actual product purchase and rental volume data. Emission factors were calculated using the Ministry of Environment's national LCI DB emission factors of 'pre-manufacturing and manufacturing steps' in each product life cycle stage. If there is no factor, emission factor of a similar model was applied. The activity data for tangible assets was managed from the list of assets acquired in the current year. Emission factors were calculated by dividing the GHG emissions from Korea by the industry-specific sales figures. - Emission calculation 1) Purchased: (individual laptop, monitor, Tablet PC, PC, printer purchase amount (ea) X individual GHG emission coefficient (kgCO₂/ea)) - Number of Laptops registered X (Pre-process Stage GHG Emission Factor of Laptop Process Stage GHG Emission Factor of Laptop) - Number of Monitors registered X (Pre-process Stage GHG Emission Factor of PC Monitor Process Stage GHG Emission Factor of Monitor) - Number of Tablet PCs registered X (Pre-process Stage GHG Emission Factor of Tablet PC Process Stage GHG Emission Factor of Tablet PC) - Number of PCs registered X (Pre-process Stage GHG Emission Factor of PC Process Stage GHG Emission Factor of PC) - Number of Printers registered X (Pre-process Stage GHG Emission Factor of Printer Process Stage GHG Emission Factor of Printer) 2) Rental: (individual printer, car rental amount (ea) X individual GHG emission coefficient(kgCO₂/ea)) - Number of rental Printers X (Pre-process Stage Emission Factor of Printer Process Stage Emission Factor of Printer) - Number of rental cars X (Pre-process Stage Emission Factor of car Process Stage Emission Factor of car) 3) Tangible Assets: (Asset Purchase Amount (KW) X GHG Emission Factor per Purchased Asset by Industry Sales (kgCO₂-eq/KW)) Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the pr

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4093

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from production process of fuels which were purchased and used in 2023 and emissions due to loss of electricity and steam during distribution to business sites were calculated. For activity data, third-party verified GHG emission specification data were applied to all domestic business sites, and emission factors for each raw material production stage were applied for emission factors. In 2023, due to the change in the calculation method of the electricity emission factor (kgCO2-eq/kg), the electricity emission factor increased and the emission increased. - Emission calculation: (annual fuel consumption X GHG emission factor by fuels) -Purchased fuels(kg) X GHG Emission Factor by fuels in production(kgCO2-eq/kg) (Ministry of Environment LCI DB) Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

646

(7.8.3) Emissions calculation methodology

Select all that apply

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions generated during the transportation of raw materials purchased for production in the reporting year (2023) were calculated. For activity data, data on the amount of key raw and secondary materials of carpet and BCF yarn including PET, NYLON, PP, Polyester Automotive Floor Carpets, LLDPE, PET fabric Latex, calcium carbonate, transportation distance from suppliers, and transportation means were used. Emission factors per unit distance for each transportation method were applied. In 2023, the purchase quantity of marine transport with a low emission factor among raw materials increased. As a result, while the quantity of raw material purchases rose, the emissions from raw material transportation decreased. - Emission calculation: (annual purchase amount of raw and secondary material(PET, NYLON, PP, Polyester Automotive Floor Carpets, LLDPE, PET fabric Latex, calcium carbonate)) (ton) X transportation distance (km) X GHG Emission Factor by transportation type(Ministry of Environment LCI DB) (kgCO2/ton.km) Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

357

(7.8.3) Emissions calculation methodology

Select all that apply

- Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Hyosung applied the emission factors depending on the type of waste and the treatment method when calculating emissions from wastes generated. For activity data, data on the amount of waste reported through the system was used. In 2023, emissions increased due to an increase in waste caused by an 8.0% increase in production at the Hyosung Anyang plant. - Emission calculation: (annual waste emissions(kg) X GHG Emission factor by waste treatment method(Ministry of Environment LCI DB) (kgCO2/kg) - [General Waste discharged by landfill (ton) X Landfill Emission Factor] [General Waste discharged by Incineration X Incineration Emission Factor] [General Waste discharged by Recycle (ton) X Recycle Emission Factor] [Designated Waste discharged by landfill (ton) X Landfill Emission Factor] [Designated Waste discharged by Incineration (ton) X Incineration Emission Factor] [Designated Waste discharged by Recycle (ton) X Recycle Emission Factor(Ministry of Environment LCI DB)] Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Business travel

(7.8.1) Evaluation status

Select from:

- Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

426

(7.8.3) Emissions calculation methodology

Select all that apply

- Spend-based method
- Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

(7.8.5) Please explain

Emissions resulting from domestic and overseas business trips of employees were calculated. In 2023, emissions increased due to an 8% rise in production and an increase in business activities, resulting in more domestic and overseas business trip. 1) Overseas business trip - Emission calculation: ((Annual overseas business travel length per employee(km/person)) X GHG emission factor(kg-CO2/(personXkm)) - Emission factor: EPA Center for Corporate Climate Leadership, Emission Factors for GHG inventories (2023), Air Travel-Long Haul 2) Domestic business trip - Emission calculation: ((Annual individual business travel usage cost of fuel(KRW)) X Unit cost by fuel (fuel unit/ KRW) X Individual GHG emission factor by fuel (kgCO2/fuel unit) - Emission factor: Use of Ministry of Environment 's carbon labeling emission factor, Ministry of Environment LCI DB Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Employee commuting

(7.8.1) Evaluation status

Select from:

Relevant, not yet calculated

(7.8.5) Please explain

Hyosung Anyang plant operate commuter buses for employees, which are already included in Scope 1 emissions. Therefore, there is no need for a separate calculation of emissions in this category. But the transportation type(bus, Train, etc) and distance for employees of Head office to commute not be calculated.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Hyosung already reports the amount of leased assets (buildings) emissions in scope 1, 2 under the Korea ETS. Therefore, there is no need for a separate calculation of emissions in this category. There are no other emissions from upstream leased assets that are not included in the Scope 1 and 2 calculations.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1551

(7.8.3) Emissions calculation methodology

Select all that apply

Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions generated during the transportation of products produced in the reporting year (2023) were calculated. For activity data, data on sales amount of car mat, carpet, roll carpet, BCF yarn, Tile fabrics, transportation distance to customers, and transportation means were used. Emission factors per unit distance for each transportation method were applied. In 2023, the product weight conversion standard (area weight) changed from the weight of the yarn to the total product weight. This resulted in an increase in product sales volume (kg), leading to an increase in emissions. - Emission calculation: (annual sales amount of products (Automotive Floor Carpets, Automotive Floor Mats, roll carpet, BCF yarn, Tile fabrics) (ton) X transportation distance (km) X GHG Emission Factor by transportation type (Ministry of Environment LCI DB) (kgCO2/ton.km) Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Processing of sold products

(7.8.1) Evaluation status

Select from:

Relevant, not yet calculated

(7.8.5) Please explain

Hyosung's products are BCF yarns and carpets which are intermediate materials, and are made into final materials through several steps. The additional processing process for the sold products is diverse, and the processing process that each partner company goes through is different. Therefore, it is difficult to assume emissions for that category. In addition, the additional processing process of the sold products has relatively little relevance as it is judged that it is difficult for Hyosung to exercise its influence in the future and it is difficult to proceed with GHG reduction activities.

Use of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

There is no emission generated at the stage of use of our products(Automotive carpets, BCF yarns).

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

38261

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions generated during the transportation of products produced in the reporting year (2023) were calculated. For activity data, data on sales amount of Automotive Floor Carpets, Automotive Floor Mats, roll carpet, BCF yarn, Tile fabrics was used. Statistical ratio, emission factors were applied depending on the type of waste and the treatment method. In 2023, the product weight conversion standard (area weight) changed from the weight of the yarn to the total product weight. This resulted in an increase in product sales volume (kg), leading to an increase in emissions. - Emission calculation: (annual sales amount of products (Automotive Floor Carpets, Automotive Floor Mats, roll carpet, BCF yarn, Tile fabrics) (kg) X Statistical ratio of waste treatment method (Korean Statistical Information Service)) X Waste GHG Emission Factor by waste treatment method (kgCO2/kg, Ministry of Environment LCI DB) Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Hyosung already reports the amount of Downstream leased assets(buildings) emissions in scope 1, 2 under the Korea ETS. Therefore, there is no need for a separate calculation of emissions in this category.

Franchises

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Not applicable, since Hyosung does not own franchises

Investments

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

381418

(7.8.3) Emissions calculation methodology

Select all that apply

Investment-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

(7.8.5) Please explain

It was calculated for four associated companies (Hyosung TNC corp., Hyosung Heavy Industries corp., Hyosung Advanced Materials corp., Hyosung Chemical corp.) that are divided from Hyosung and has been participating in Korea ETS as it became a subject company to mandatory reporting of its GHGs emissions each year. In 2023, instead of reporting the subsidiary's emissions as not included in Hyosung's Scope 3 Category 15 emissions, it is reported separately in No. 7.22. Although the emissions of subsidiaries were excluded, the investment ratio of Hyosung Chemical Corp. among associated companies increased from 20% to 33%, resulting in an increase in emissions of about 42,000 tons. (Emissions (scope1scope2) of Investment company (tCO₂-eq) X Investment ratio (%)) - Emissions (scope1scope2) of Hyosung TNC Corp. X 20% - Emissions (scope1scope2) of Hyosung Heavy Industries Corp. X 32% - Emissions (scope1scope2) of Hyosung Advanced Material Corp. X 22% - Emissions (scope1scope2) of Hyosung Chemical Corp. X 33% Emissions were calculated for each item based on the emission calculation methodology, and the final total was calculated as the emission of the relevant category. In addition, third-party verification was carried out of GHG emissions calculated through the process.

[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

| | Verification/assurance status |
|--|---|
| Scope 1 | <i>Select from:</i> <input checked="" type="checkbox"/> Third-party verification or assurance process in place |
| Scope 2 (location-based or market-based) | <i>Select from:</i> <input checked="" type="checkbox"/> Third-party verification or assurance process in place |
| Scope 3 | <i>Select from:</i> <input checked="" type="checkbox"/> Third-party verification or assurance process in place |

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

Annual process

(7.9.1.2) Status in the current reporting year

Select from:

Complete

(7.9.1.3) Type of verification or assurance

Select from:

Reasonable assurance

(7.9.1.4) Attach the statement

7.9.1 2023 GHG emissions Third Partys Verification Statement(Hyosung)_scope1&2.pdf

(7.9.1.5) Page/section reference

1P

(7.9.1.6) Relevant standard

Select from:

Korean GHG and energy target management system

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.2.3) Status in the current reporting year

Select from:

Complete

(7.9.2.4) Type of verification or assurance

Select from:

Reasonable assurance

(7.9.2.5) Attach the statement

7.9.2 2023 GHG emissions Third Partys Verification Statement(Hyosung)_scope1&2.pdf

(7.9.2.6) Page/ section reference

1P

(7.9.2.7) Relevant standard

Select from:

Korean GHG and energy target management system

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Investments

Scope 3: End-of-life treatment of sold products

- Scope 3: Capital goods
- Scope 3: Business travel
- Scope 3: Purchased goods and services
- Scope 3: Waste generated in operations

- Scope 3: Upstream transportation and distribution
- Scope 3: Downstream transportation and distribution
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:

- Annual process

(7.9.3.3) Status in the current reporting year

Select from:

- Complete

(7.9.3.4) Type of verification or assurance

Select from:

- Limited assurance

(7.9.3.5) Attach the statement

7.9.3 2023 GHG emissions Third Partys Verification Statement(Hyosung)_scope3.pdf

(7.9.3.6) Page/section reference

12P

(7.9.3.7) Relevant standard

Select from:

- ISO14064-3

(7.9.3.8) Proportion of reported emissions verified (%)

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:

Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO₂e)

28

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

0.09

(7.10.1.4) Please explain calculation

28 tCO₂eq of GHG emissions was reduced through the reduction in Power Loss in Wires by Adjusting the Secondary Voltage Tap of the Main Transformer (from 3.2kV to 3.4kV). Total GHG emissions (scope1scope2) in 2022 are 31,854 tCO₂eq. $28/31,854 * 100$ 0.09%

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

1404

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

4.41

(7.10.1.4) Please explain calculation

*The membrane research part of Hyosung's Anyang plant has been sold to Hyosung Chemical Corporation's Anyang plant. The emission was reduced as the membrane research part was excluded from the organizational boundary. In 2022, The membrane research part of Hyosung Anyang plant has an emission of 1,404 tons. Total GHG emissions (scope1scope2) in 2022 are 31,854 tCO2eq. $1,404 / 31,854 * 100$ 4.41 %*

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

2536

(7.10.1.2) Direction of change in emissions

Select from:

Increased

(7.10.1.3) Emissions value (percentage)

7.96

(7.10.1.4) Please explain calculation

Based on production unit costs in 2022, the change GHG emissions due to increase in production in the reporting year(2023) would be 2,536 tCO₂eq. Total GHG emissions (scope1scope2) in 2022 are 31,854 tCO₂eq. $2,536 / 31,854 * 100 = 7.96\%$

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO₂e)

21

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

0.07

(7.10.1.4) Please explain calculation

Jeonbuk Carbon-specialized Start-up Incubation Center was closed. This business site reported the amount of electricity used by Hyosung by paying electricity bills. From January 1, 2023, the Jeonbuk Creative Economy Innovation Center paid electricity bills and escaped Hyosung's operational control. This reduced Hyosung's emissions. In 2022, Jeonbuk Carbon-specialized Start-up Incubation Center has an emission of 21 tons. Total GHG emissions (scope1scope2) in 2022 are 31,854 tCO₂eq. $21 / 31,854 * 100 = 0.07\%$

Other

(7.10.1.1) Change in emissions (metric tons CO₂e)

13

(7.10.1.2) Direction of change in emissions

Select from:

Increased

(7.10.1.3) Emissions value (percentage)

0.04

(7.10.1.4) Please explain calculation

*In 2023, The waste gas incineration facility at Hyosung's Anyang plant was introduced. Emissions increased as two kinds of waste gas incineration facilities were added at the organizational boundary. In 2023, The waste gas incineration facility at Hyosung's Anyang plant has an emission of 13 tons. Total GHG emissions (scope1scope2) in 2022 are 31,854 tCO₂eq. $13 / 31,854 * 100 = 0.04\%$*
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:

Location-based

(7.11) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?

Select from:

Increased

(7.11.1) For each Scope 3 category calculated in 7.8, specify how your emissions compare to the previous year and identify the reason for any change.

Purchased goods and services

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in output

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

5749

(7.11.1.4) % change in emissions in this category

10.1

(7.11.1.5) Please explain

In 2023, emissions increased due to an increase in product purchase amount caused by an 8.0% increase in production at the Hyosung Anyang plant.

Capital goods

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in boundary

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

896

(7.11.1.4) % change in emissions in this category

999

(7.11.1.5) Please explain

% change in emissions in this category is 1,556.0%. It is not allowed to write a number larger than 999%, so it was written as 999%. The emissions increased due to the additional calculations for tangible assets acquired in the current year.

Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in methodology

(7.11.1.3) Change in emissions in this category (metric tons CO₂e)

594

(7.11.1.4) % change in emissions in this category

17

(7.11.1.5) Please explain

In 2023, due to the change in the calculation method of the electricity emission factor (kgCO₂-eq/kg), the electricity emission factor increased and the emission increased.

Upstream transportation and distribution

(7.11.1.1) Direction of change

Select from:

Decreased

(7.11.1.2) Primary reason for change

Select from:

Change in supplier or distributor

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

79

(7.11.1.4) % change in emissions in this category

11

(7.11.1.5) Please explain

In 2023, the purchase quantity of marine transport with a low emission factor among raw materials increased. As a result, while the quantity of raw material purchases rose, the emissions from raw material transportation decreased.

Waste generated in operations

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in output

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

27

(7.11.1.4) % change in emissions in this category

8.3

(7.11.1.5) Please explain

In 2023, emissions increased due to an increase in waste caused by an 8.0% increase in production at the Hyosung Anyang plant.

Business travel

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in output

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

108

(7.11.1.4) % change in emissions in this category

34.1

(7.11.1.5) Please explain

In 2023, emissions increased due to an 8% rise in production and an increase in business activities, resulting in more domestic and overseas business trip.

Downstream transportation and distribution

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in methodology

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

1136

(7.11.1.4) % change in emissions in this category

273.8

(7.11.1.5) Please explain

In 2023, the product weight conversion standard (area weight) changed from the weight of the yarn to the total product weight. This resulted in an increase in product sales volume (kg), leading to an increase in emissions.

End-of-life treatment of sold products

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Change in methodology

(7.11.1.3) Change in emissions in this category (metric tons CO2e)

28973

(7.11.1.4) % change in emissions in this category

311.9

(7.11.1.5) Please explain

In 2023, the product weight conversion standard (area weight) changed from the weight of the yarn to the total product weight. This resulted in an increase in product sales volume (kg), leading to an increase in emissions.

Investments

(7.11.1.1) Direction of change

Select from:

Increased

(7.11.1.2) Primary reason for change

Select from:

Acquisitions

(7.11.1.3) Change in emissions in this category (metric tons CO₂e)

41938

(7.11.1.4) % change in emissions in this category

12.4

(7.11.1.5) Please explain

In 2023, instead of reporting the subsidiary's emissions as not included in Hyosung's Scope 3 Category 15 emissions, it is reported separately in No. 7.22. Although the emissions of subsidiaries were excluded, the investment ratio of Hyosung Chemical Corp. among associated companies increased from 20% to 33%, resulting in an increase in emissions of about 42,000 tons.

[Fixed row]

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:

No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:

Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:

CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

8649.339

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

5.268

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

15.855

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

Row 4

(7.15.1.1) Greenhouse gas

Select from:

HFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

Row 5

(7.15.1.1) Greenhouse gas

Select from:

PFCs

(7.15.1.2) Scope 1 emissions (metric tons of CO₂e)

0

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

Row 6

(7.15.1.1) Greenhouse gas

Select from:

SF₆

(7.15.1.2) Scope 1 emissions (metric tons of CO₂e)

0

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

Row 7

(7.15.1.1) Greenhouse gas

Select from:

NF3

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

0

(7.15.1.3) GWP Reference

Select from:

IPCC Second Assessment Report (SAR - 100 year)

[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

| | Scope 1 emissions (metric tons CO2e) | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|-------------------|--------------------------------------|--|--|
| Republic of Korea | 8670.463 | 21137.869 | 0 |

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply

By activity

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

| | Activity | Scope 1 emissions (metric tons CO2e) |
|-------|------------------------------|--------------------------------------|
| Row 1 | <i>Stationary Combustion</i> | 8256.407 |
| Row 2 | <i>Mobile Combustion</i> | 401.388 |
| Row 3 | <i>Waste Disposal</i> | 12.668 |
| Row 4 | <i>Processing Emissions</i> | 0 |

[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

By activity

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

| | Activity | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|-------|--------------------|--|--|
| Row 1 | <i>Electricity</i> | 20790.046 | 0 |
| Row 2 | <i>Steam</i> | 347.823 | 0 |

[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

| | Scope 1 emissions (metric tons CO2e) | Scope 2, location-based emissions (metric tons CO2e) | Please explain |
|-------------------------------|--------------------------------------|--|--|
| Consolidated accounting group | 28509.7 | 28532.798 | <i>The emissions of Consolidated accounting group were calculated.</i> |
| All other entities | 0 | 0 | <i>The emissions of All other entities were not calculated.</i> |

[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:

Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Hyosung USA Inc.

(7.23.1.2) Primary activity

Select from:

Other vehicle equipment & systems

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

183208727

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

12712.73

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

10396.644

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 2

(7.23.1.1) Subsidiary name

Hyosung TNS Inc.

(7.23.1.2) Primary activity

Select from:

Electrical equipment

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

687879973

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

148.426

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

1039.619

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 3

(7.23.1.1) Subsidiary name

Nautilus Hyosung America Inc.

(7.23.1.2) Primary activity

Select from:

Industrial machinery distribution

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

118682724

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

7999.691

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

1077.844

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 4

(7.23.1.1) Subsidiary name

Hyosung Holdings USA, Inc.

(7.23.1.2) Primary activity

Select from:

Other financial

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

078669398

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

39.897

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

8.164

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 5

(7.23.1.1) Subsidiary name

Hyosung Financial System (Huizhou) Co

(7.23.1.2) Primary activity

Select from:

Industrial machinery distribution

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

560087902

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

40.882

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

52.159

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 6

(7.23.1.1) Subsidiary name

Hyosung RUS

(7.23.1.2) Primary activity

Select from:

Industrial machinery distribution

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

506342758

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

8.736

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

3.292

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 7

(7.23.1.1) Subsidiary name

Forza Motors Korea Corp.

(7.23.1.2) Primary activity

Select from:

Vehicles & machinery rental & leasing

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

557787978

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

197.7

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

1073.165

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 8

(7.23.1.1) Subsidiary name

Hyosung Good Springs, Inc.

(7.23.1.2) Primary activity

Select from:

Industrial machinery

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

687805556

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

350.235

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

3684.148

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 9

(7.23.1.1) Subsidiary name

HYOSUNG FINANCIAL SYSTEM VINA

(7.23.1.2) Primary activity

Select from:

Electrical equipment

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

673251374

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

58.422

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

1663.842

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 10

(7.23.1.1) Subsidiary name

NAUTILUS HYOSUNG TECH INC.

(7.23.1.2) Primary activity

Select from:

Industrial services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

689683097

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

879.239

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

130.142

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 11

(7.23.1.1) Subsidiary name

NAUTILUS HYOSUNG CMS INC

(7.23.1.2) Primary activity

Select from:

Other professional services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

688306985

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

598.714

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

344.645

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 12

(7.23.1.1) Subsidiary name

Hyosung FMS. Co., Ltd.

(7.23.1.2) Primary activity

Select from:

Other financial

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

631094799

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

9.21

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 13

(7.23.1.1) Subsidiary name

GST Safety Textiles Mexico S. de R.L.

(7.23.1.2) Primary activity

Select from:

Textiles

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

812820972

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

3874.787

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

6018.961

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 14

(7.23.1.1) Subsidiary name

Gongdeok Gyeongwoo Development Corporation

(7.23.1.2) Primary activity

Select from:

Real estate owners & developers

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

688465443

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

939.89

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

2939.442

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 15

(7.23.1.1) Subsidiary name

Hyosung Solutions S DE RL DE CV

(7.23.1.2) Primary activity

Select from:

Industrial machinery distribution

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

951656132

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

631.037

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

15.59

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 16

(7.23.1.1) Subsidiary name

Hana Alternative Investmentlandchip 39th Real Estate Investment Trust Co., Ltd.

(7.23.1.2) Primary activity

Select from:

REIT

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

0

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

In the sustainability management report, greenhouse gas emissions are reported by classifying them into Hyosung and subsidiary companies. Hyosung reports to the government, including emissions from Hana Alternative Investmentlandchip 39th Real Estate Investment Trust Co., Ltd. Therefore, if the emission amount of Hana Alternative Investmentlandchip 39th Real Estate Investment Trust Co., Ltd. is reported separately, it overlaps with Hyosung's emission. Accordingly, the emissions were listed as zero.

Row 17

(7.23.1.1) Subsidiary name

ATM plus Co., Ltd.

(7.23.1.2) Primary activity

Select from:

Other financial

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

55.515

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

Row 18

(7.23.1.1) Subsidiary name

Hyosung TNS RUS

(7.23.1.2) Primary activity

Select from:

Industrial machinery distribution

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

D-U-N-S number

(7.23.1.10) D-U-N-S number

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

20.105

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

29.626

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

0

(7.23.1.15) Comment

-

[Add row]

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

Scope 1

(7.26.4) Allocation level

Select from:

Commodity

(7.26.6) Allocation method

Select from:

Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

Square meters

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

6569405

(7.26.9) Emissions in metric tonnes of CO₂e

364.421

(7.26.10) Uncertainty ($\pm\%$)

5

(7.26.11) Major sources of emissions

Scope 1 emissions are from natural gas combustion.

(7.26.12) Allocation verified by a third party?

Select from:

Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hyosung calculated the CFP of Automotive Floor Carpets (Polyester, Nylon, Bio Polyester) products produced at business sites in Korea. GHG emissions per 1m2 of product (kgCO2eq) were calculated, and GHG emissions for products delivered to customers were calculated by multiplying sales volume by customer by unit emissions. The Carbon footprint of products (hereinafter referred to 'CFP') calculation standard for each product was ISO 14067 for automotive floor carpets in Korea. Products that have not been calculated for the CFP are conservatively applied as products with high greenhouse gas emissions per 1m2 of product. (kgCO2_eq) By classifying Scope 1, 2, and 3 emissions by product, emissions were calculated in the stages of pre-manufacturing, transportation of raw and subsidiary materials, manufacturing, and distribution.

(7.26.14) Where published information has been used, please provide a reference

Korea's Automotive Floor Carpets was calculated according to ISO 14067 and verified by a third party from LRQA.

Row 2

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

Scope 2: location-based

(7.26.4) Allocation level

Select from:

Commodity

(7.26.6) Allocation method

Select from:

Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

Square meters

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

6569405

(7.26.9) Emissions in metric tonnes of CO2e

6537.511

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

Scope 2 emissions are from external electricity and steam purchases.

(7.26.12) Allocation verified by a third party?

Select from:

Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hyosung calculated the CFP of Automotive Floor Carpets (Polyester, Nylon, Bio Polyester) products produced at business sites in Korea. GHG emissions per 1m2 of product (kgCO2eq) were calculated, and GHG emissions for products delivered to customers were calculated by multiplying sales volume by customer by unit emissions. The Carbon footprint of products (hereinafter referred to 'CFP') calculation standard for each product was ISO 14067 for automotive floor carpets in Korea. Products that have not been calculated for the CFP are conservatively applied as products with high greenhouse gas emissions per 1m2 of product. (kgCO2_eq) By classifying Scope 1, 2, and 3 emissions by product, emissions were calculated in the stages of pre-manufacturing, transportation of raw and subsidiary materials, manufacturing, and distribution.

(7.26.14) Where published information has been used, please provide a reference

Korea's Automotive Floor Carpets was calculated according to ISO 14067 and verified by a third party from LRQA.

Row 3

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

- Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

- Category 1: Purchased goods and services
- Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:

- Commodity

(7.26.6) Allocation method

Select from:

- Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

- Square meters

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

(7.26.9) Emissions in metric tonnes of CO2e

45973.592

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions*Scope 3 emissions are mostly from purchased raw materials.***(7.26.12) Allocation verified by a third party?**

Select from:

 Yes**(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Hyosung calculated the CFP of Automotive Floor Carpets (Polyester, Nylon, Bio Polyester) products produced at business sites in Korea. GHG emissions per 1m2 of product (kgCO2eq) were calculated, and GHG emissions for products delivered to customers were calculated by multiplying sales volume by customer by unit emissions. The Carbon footprint of products (hereinafter referred to 'CFP') calculation standard for each product was ISO 14067 for automotive floor carpets in Korea. Products that have not been calculated for the CFP are conservatively applied as products with high greenhouse gas emissions per 1m2 of product. (kgCO2_eq) By classifying Scope 1, 2, and 3 emissions by product, emissions were calculated in the stages of pre-manufacturing, transportation of raw and subsidiary materials, manufacturing, and distribution.

(7.26.14) Where published information has been used, please provide a reference*Korea's Automotive Floor Carpets was calculated according to ISO 14067 and verified by a third party from LRQA.***Row 4****(7.26.1) Requesting member**

Select from:

(7.26.2) Scope of emissions

Select from:

Scope 1

(7.26.4) Allocation level

Select from:

Commodity

(7.26.6) Allocation method

Select from:

Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

Square meters

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3668010

(7.26.9) Emissions in metric tonnes of CO₂e

200.057

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

Scope 1 emissions are from natural gas combustion.

(7.26.12) Allocation verified by a third party?

Select from:

Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hyosung calculated the CFP of Automotive Floor Carpets (Polyester, Nylon, Bio Polyester) products produced at business sites in Korea. GHG emissions per 1m2 of product (kgCO2eq) were calculated, and GHG emissions for products delivered to customers were calculated by multiplying sales volume by customer by unit emissions. The Carbon footprint of products (hereinafter referred to 'CFP') calculation standard for each product was ISO 14067 for automotive floor carpets in Korea. Products that have not been calculated for the CFP are conservatively applied as products with high greenhouse gas emissions per 1m2 of product. (kgCO2_eq) By classifying Scope 1, 2, and 3 emissions by product, emissions were calculated in the stages of pre-manufacturing, transportation of raw and subsidiary materials, manufacturing, and distribution.

(7.26.14) Where published information has been used, please provide a reference

Korea's Automotive Floor Carpets was calculated according to ISO 14067 and verified by a third party from LRQA.

Row 5

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

Scope 2: location-based

(7.26.4) Allocation level

Select from:

Commodity

(7.26.6) Allocation method

Select from:

- Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

- Square meters

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3668010

(7.26.9) Emissions in metric tonnes of CO₂e

3772.065

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

Scope 2 emissions are from external electricity and steam purchases.

(7.26.12) Allocation verified by a third party?

Select from:

- Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hyosung calculated the CFP of Automotive Floor Carpets (Polyester, Nylon, Bio Polyester) products produced at business sites in Korea. GHG emissions per 1m² of product (kgCO₂eq) were calculated, and GHG emissions for products delivered to customers were calculated by multiplying sales volume by customer by unit

emissions. The Carbon footprint of products (hereinafter referred to 'CFP') calculation standard for each product was ISO 14067 for automotive floor carpets in Korea. Products that have not been calculated for the CFP are conservatively applied as products with high greenhouse gas emissions per 1m2 of product. (kgCO2_eq) By classifying Scope 1, 2, and 3 emissions by product, emissions were calculated in the stages of pre-manufacturing, transportation of raw and subsidiary materials, manufacturing, and distribution.

(7.26.14) Where published information has been used, please provide a reference

Korea's Automotive Floor Carpets was calculated according to ISO 14067 and verified by a third party from LRQA.

Row 6

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

Scope 3

(7.26.3) Scope 3 category(ies)

Select all that apply

- Category 1: Purchased goods and services
- Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 9: Downstream transportation and distribution

(7.26.4) Allocation level

Select from:

Commodity

(7.26.6) Allocation method

Select from:

Allocation based on the number of units purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

Square meters

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3668010

(7.26.9) Emissions in metric tonnes of CO₂e

25185.557

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

Scope 3 emissions are mostly from purchased raw materials.

(7.26.12) Allocation verified by a third party?

Select from:

Yes

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Hyosung calculated the CFP of Automotive Floor Carpets (Polyester, Nylon, Bio Polyester) products produced at business sites in Korea. GHG emissions per 1m² of product (kgCO₂eq) were calculated, and GHG emissions for products delivered to customers were calculated by multiplying sales volume by customer by unit emissions. The Carbon footprint of products (hereinafter referred to 'CFP') calculation standard for each product was ISO 14067 for automotive floor carpets in Korea. Products that have not been calculated for the CFP are conservatively applied as products with high greenhouse gas emissions per 1m² of product. (kgCO₂_eq) By

classifying Scope 1, 2, and 3 emissions by product, emissions were calculated in the stages of pre-manufacturing, transportation of raw and subsidiary materials, manufacturing, and distribution.

(7.26.14) Where published information has been used, please provide a reference

Korea's Automotive Floor Carpets was calculated according to ISO 14067 and verified by a third party from LRQA.

[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:

Other, please specify :Due to the wide variety of product model types and processes, it is very difficult to calculate emissions for each product.

(7.27.2) Please explain what would help you overcome these challenges

Hyosung is very difficult to calculate emissions by product because of the wide variety of product models and processes. To overcome this, we calculated the CFP with the help of consulting companies. Also, since the process is very diverse, it would be helpful to calculate the CFP if there is a separate monitoring system. We need customer support such as consulting and monitoring systems.

[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

Yes

(7.28.2) Describe how you plan to develop your capabilities

In 2022, Hyosung Corporation was certified for product carbon footprint for three types of automotive floor carpets made of polyester, nylon, and biopolyester with ISO14067. In 2023, 7 types of products were added to the existing calculation targets, and 16 environmental impact assessments (LCA: Life Cycle Assessment) were conducted for a total of 10 types of products, including water consumption, ozone layer depletion, and eutrophication, as well as greenhouse gases in accordance with ISO14044. The company plans on going through third-party assurance in 2024. Products Subject to Life Cycle Assessment are Polyester automotive floor carpet/automotive floor mat, Nylon automotive floor carpet/automotive floor mat, Bio-polyester automotive floor carpet/automotive floor mat, Recycled polyester automotive floor carpet/automotive floor mat, Recycled nylon automotive floor carpet/automotive floor mat.

[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|--|---|
| Consumption of fuel (excluding feedstocks) | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of purchased or acquired electricity | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of purchased or acquired heat | Select from: <input checked="" type="checkbox"/> No |
| Consumption of purchased or acquired steam | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of purchased or acquired cooling | Select from: |

| | |
|--|---|
| | Indicate whether your organization undertook this energy-related activity in the reporting year |
| | <input checked="" type="checkbox"/> No |
| Generation of electricity, heat, steam, or cooling | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

46838.95

(7.30.1.4) Total (renewable and non-renewable) MWh

46838.95

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

45253.74

(7.30.1.4) Total (renewable and non-renewable) MWh

45253.74

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

2681.95

(7.30.1.4) Total (renewable and non-renewable) MWh

2681.95

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Total energy consumption

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

94774.63

(7.30.1.4) Total (renewable and non-renewable) MWh

94774.63

[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

| | Indicate whether your organization undertakes this fuel application |
|---|---|
| Consumption of fuel for the generation of electricity | Select from: <input checked="" type="checkbox"/> No |
| Consumption of fuel for the generation of heat | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of fuel for the generation of steam | Select from: <input checked="" type="checkbox"/> Yes |
| Consumption of fuel for the generation of cooling | Select from: <input checked="" type="checkbox"/> No |
| Consumption of fuel for co-generation or tri-generation | Select from: <input checked="" type="checkbox"/> No |

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not use

Other biomass

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not use

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not use

Coal

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not use

Oil

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

1676.3

(7.30.7.4) MWh fuel consumed for self-generation of heat

1676.3

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Motor Gasoline, Diesel, kerosene Sum value

Gas

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

45162.65

(7.30.7.4) MWh fuel consumed for self-generation of heat

8331.3

(7.30.7.5) MWh fuel consumed for self-generation of steam

36831.35

(7.30.7.8) Comment

LNG, LPG, Propane Gas Sum value

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not use

Total fuel

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

46838.95

(7.30.7.4) MWh fuel consumed for self-generation of heat

10007.6

(7.30.7.5) MWh fuel consumed for self-generation of steam

36831.35

(7.30.7.8) Comment

Motor Gasoline, Diesel, kerosene, LNG, LPG, Propane Gas Sum value
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Heat

(7.30.9.1) Total Gross generation (MWh)

8362.39

(7.30.9.2) Generation that is consumed by the organization (MWh)

8362.39

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

36831.35

(7.30.9.2) Generation that is consumed by the organization (MWh)

36831.35

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

[Fixed row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Republic of Korea

(7.30.16.1) Consumption of purchased electricity (MWh)

45253.74

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

2681.95

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

47935.69

[Fixed row]

(7.34) Does your organization measure the efficiency of any of its products or services?

(7.34.1) Measurement of product/service efficiency

Select from:

No, and we do not plan to start doing so within the next two years

(7.34.2) Comment

Hyosung's products are BCF yarns and carpets which are intermediate materials, and are made into final materials through several steps. There is no emission generated at the stage of use of our products(carpets, BCF yarns). Therefore, it is not possible to measure the efficiency of the product with energy efficiency. In the future, we will try to measure the efficiency of the product by collecting data such as the number of replacements of the product from the place where the final product is delivered.

[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.056

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

29808.33

(7.45.3) Metric denominator

Select from:

unit total revenue

(7.45.4) Metric denominator: Unit total

533220

(7.45.5) Scope 2 figure used

Select from:

Location-based

(7.45.6) % change from previous year

31.6

(7.45.7) Direction of change

Select from:

Increased

(7.45.8) Reasons for change

Select all that apply

Change in revenue

(7.45.9) Please explain

Hyosung set 'emissions (numerator) and revenue (denominator)' as the factors to affect GHG intensity. The CO2e per unit currency total revenue increased 31.6% from the previous year in 2022. The reason is as follows. 1. (Denominator) Total revenue decreased by 28.9% in 2023 compared to 2022. In 2022, transportation revenue increased by 47.4% in 2022, but equity method revenue declined 108.4%, resulting in a 28.8% drop in total revenue. In 2023, transportation revenue decreased by 49.0%, resulting in a 28.9% decrease in total revenue. 2. (Numerator) GHG emissions (Scope 1 2) decreased by 6.4% in 2023 compared to 2022. GHG emissions were reduced by 28 tons through GHG reduction activities such as the reduction in Power Loss in Wires by Adjusting the Secondary Voltage Tap of the Main Transformer (from 3.2kV to 3.4kV), which is 0.1% of the 2023 emissions.

Row 2

(7.45.1) Intensity figure

52.65

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

29808.33

(7.45.3) Metric denominator

Select from:

full time equivalent (FTE) employee

(7.45.4) Metric denominator: Unit total

(7.45.5) Scope 2 figure used

Select from:

 Location-based**(7.45.6) % change from previous year**

6.6

(7.45.7) Direction of change

Select from:

 Decreased**(7.45.8) Reasons for change**

Select all that apply

 Other emissions reduction activities**(7.45.9) Please explain**

Hyosung set 'emissions (numerator) and number of full-time employees (denominator)' as the factors to affect GHG intensity. The CO2e per unit currency total revenue decreased 6.6% from the previous year in 2023. The reason is as follows. 1. (Denominator) The number of full-time employees increased by 0.2% in 2023 compared to 2022. 2. (Numerator) GHG emissions (Scope 1 2) decreased by 6.4% in 2023 compared to 2022. GHG emissions were reduced by 28 tons through GHG reduction activities such as the reduction in Power Loss in Wires by Adjusting the Secondary Voltage Tap of the Main Transformer (from 3.2kV to 3.4kV), which is 0.1% of the 2023 emissions.

*[Add row]***(7.52) Provide any additional climate-related metrics relevant to your business.****Row 1****(7.52.1) Description**

Select from:

Waste

(7.52.2) Metric value

2367.2

(7.52.3) Metric numerator

ton

(7.52.4) Metric denominator (intensity metric only)

N/A

(7.52.5) % change from previous year

24.1

(7.52.6) Direction of change

Select from:

Increased

(7.52.7) Please explain

In 2023, generation increased due to a increase in waste caused by a 8.0% increase in production.

[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

- Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

- No, but we anticipate setting one in the next two years

(7.53.1.5) Date target was set

07/27/2023

(7.53.1.6) Target coverage

Select from:

- Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Sulphur hexafluoride (SF6)

(7.53.1.8) Scopes

Select all that apply

- Scope 1

Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

Location-based

(7.53.1.11) End date of base year

12/30/2018

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

10942

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

24129

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

35071.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all

selected Scopes

100

(7.53.1.54) End date of target

12/30/2030

(7.53.1.55) Targeted reduction from base year (%)

23.55

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

26811.780

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

8670.463

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

21137.869

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

29808.332

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

63.72

(7.53.1.80) Target status in reporting year

Select from:

Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Hyosung has established the company-wide Scope 12 absolute amount target.

(7.53.1.83) Target objective

To align with the industrial sector goals of the Nationally Determined Contributions (NDC) announced in 2021, we established the GHG quantitative target of 'Green Management Vision 2030' as a 14.5% reduction (1.2% annual reduction) compared to the level of 2018 emissions. Moreover, in April 2023, we further raised our target to 23.6% reduction by 2030 compared to the 2018 level. On top of that, in the long term, we plan to implement reductions in accordance with the government's 2050 carbon neutral policy. The primary objectives of this target include reducing costs associated with emissions trading scheme compliance and increase operating profit through smoother transactions with clients. Additionally, although we are not currently subject to specific regulations, we are closely monitoring evolving international agreements, such as the Carbon Border Adjustment Mechanism (CBAM) and the Clean Competition Act. We are preparing proactively for the possibility of future inclusion in such regulations, aiming to respond promptly to global environmental regulations and contribute to establishing a foundation for sustainable corporate growth.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Hyosung reported to the board of directors a plan to invest about KRW 5 billion in reduction activities for eight years from 2023 to 2030 to implement the emission trading system and achieve the reduction goals. Accordingly, it plans to invest an annual average of KRW 627.2 million in reduction projects. Hyosung receives annual greenhouse gas emissions allowances and establishes specific reduction targets for each plant to achieve them. When setting reduction targets, Hyosung utilizes internal carbon pricing introduced during the reporting year, incorporating the economic analysis of carbon costs into investment decisions for emission reduction, such as facility investment and fuel conversion. Hyosung actively implements various emission reduction activities to achieve the plant-specific targets, conducting periodic monitoring and performance analysis to assess the progress and reduction volume. The details of greenhouse gas reduction achievements are managed as annual key performance indicators (KPIs) by plant managers and employees, and incentives are provided accordingly. This fosters active engagement in company-wide greenhouse gas reduction activities. Additionally, to monitor the allocation and fulfillment of emission allowances, Hyosung monitors the allocated emission allowances and expected shortages on a PU basis, reporting the findings to the board of directors. The emission reduction activities that contributed the most to achieving the goal by the end of the reporting year are as follows. In 2022, Hyosung changed the compressed air piping line and reduced the operating pressure of the air compressor to reduce greenhouse gas by 1,549tCO₂eq at the Anyang plant. In the reporting year(2023), the secondary voltage tap of the primary transformer at the Anyang plant was altered from 3.2kV to 3.4kV to mitigate power losses in the cables. As a result, Hyosung's Anyang Plant reducing a total of 28 tCO₂eq. Through continuous reduction of greenhouse gas emissions, the target achievement rate is 63.72%.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

No other climate-related targets

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|--------------------------|-----------------------|--|
| Under investigation | 37 | <i>`Numeric input</i> |
| To be implemented | 0 | 0 |
| Implementation commenced | 0 | 0 |
| Implemented | 1 | 28 |
| Not to be implemented | 0 | <i>`Numeric input</i> |

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

28.31

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

8

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:

11-15 years

(7.55.2.9) Comment

The secondary voltage tap of the primary transformer at the Anyang plant was altered from 3.2kV to 3.4kV in 2023 to mitigate power losses in the cables. As a result, Hyosung's Anyang Plant reducing a total of 28 tCO₂eq.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

Dedicated budget for energy efficiency

(7.55.3.2) Comment

Hyosung plans annual budget for emissions reduction and investments to increase energy efficiency. The budget includes all energy efficiency projects, including facility replacements, change of energy source and process improvements. The company focuses on activities to reduce power use since the emissions from electricity use account for 69.7% of total emissions.

Row 2

(7.55.3.1) Method

Select from:

Internal price on carbon

(7.55.3.2) Comment

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.

Row 3

(7.55.3.1) Method

Select from:

Internal incentives/recognition programs

(7.55.3.2) Comment

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.

[Add row]

(7.71) Does your organization assess the life cycle emissions of any of its products or services?

(7.71.1) Assessment of life cycle emissions

Select from:

Yes

(7.71.2) Comment

In 2022, Hyosung Corporation was certified for product carbon footprint for three types of automotive floor carpets made of polyester, nylon, and biopolyester with ISO14064. In 2023, 7 types of products were added to the existing calculation targets, and 16 environmental impact assessments (LCA: Life Cycle Assessment) were conducted for a total of 10 types of products, including water consumption, ozone layer depletion, and eutrophication, as well as greenhouse gases in accordance with ISO14044. The company plans on going through third-party assurance in 2024. Products Subject to Life Cycle Assessment are Polyester automotive floor carpet/automotive floor mat, Nylon automotive floor carpet/automotive floor mat, Bio-polyester automotive floor carpet/automotive floor mat, Recycled polyester automotive floor carpet/automotive floor mat, Recycled nylon automotive floor carpet/automotive floor mat.

[Fixed row]

(7.71.1) Provide details of how your organization assesses the life cycle emissions of its products or services.

(7.71.1.1) Products/services assessed

Select from:

- Representative selection of products/services

(7.71.1.2) Life cycle stage(s) most commonly covered

Select from:

- Cradle-to-gate

(7.71.1.3) Methodologies/standards/tools applied

Select all that apply

- ISO 14067

(7.71.1.4) Comment

Hyosung calculated product carbon footprints for eight Polyester Automotive Floor Carpet products, three Bio Polyester Automotive Floor Carpet products, and six Nylon Automotive Floor Carpet products. Hyosung conducted a life cycle impact assessment (LCA) on automotive floor carpets and automotive floor mats (Pet, NY, Bio-Pet, Recycle Pet, Recycle NY) in 2023 and is scheduled to undergo third-party verification in 2024.

[Fixed row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

- Yes, I will provide data through the CDP questionnaire

(7.73.1) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

15.77

(7.73.2) Complete the following table for the goods/services for which you want to provide data.

Row 1

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P3, P4, P6, P7, P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P3, P4, P6, P7, P8 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

6.14

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO14067

Row 2

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P3)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P3, P4, P6, P7, P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P3, P4, P6, P7, P8 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

2.94

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 3

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P3, P4, P6, P7, P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into

P1P8 according to the process. In 2023, Hyosung sold P1, P3, P4, P6, P7, P8 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

4.42

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 4

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P3, P4, P6, P7, P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P3, P4, P6, P7, P8 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

6.71

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 5

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P7)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P3, P4, P6, P7, P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P3, P4, P6, P7, P8 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

4.47

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 6

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P3, P4, P6, P7, P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P3, P4, P6, P7, P8 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

7.38

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 7

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.2.3) Description of good/ service

Nylon Automotive Floor Carpets (N2, N4): This product uses nylon as a fabric material. Nylon Automotive Floor Carpets divide the product line into N1N8 according to

the process. In 2023, Hyosung sold N2, N4 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

10.89

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 8

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.2.3) Description of good/ service

Nylon Automotive Floor Carpets (N2, N4): This product uses nylon as a fabric material. Nylon Automotive Floor Carpets divide the product line into N1N8 according to the process. In 2023, Hyosung sold N2, N4 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

10.55

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 9

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B1)

(7.73.2.3) Description of good/ service

Bio Polyester Automotive Floor Carpets (B1B3): This product uses Bio Polyester as a fabric material. Bio Polyester Automotive Floor Carpets divide the product range into B1B3 according to the process. In 2023, Hyosung sold B1 to B3 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

3.41

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 10

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B2)

(7.73.2.3) Description of good/ service

Bio Polyester Automotive Floor Carpets (B1B3): This product uses Bio Polyester as a fabric material. Bio Polyester Automotive Floor Carpets divide the product range into B1B3 according to the process. In 2023, Hyosung sold B1 to B3 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

5.83

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 11

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B3)

(7.73.2.3) Description of good/ service

Bio Polyester Automotive Floor Carpets (B1B3): This product uses Bio Polyester as a fabric material. Bio Polyester Automotive Floor Carpets divide the product range

into B1B3 according to the process. In 2023, Hyosung sold B1 to B3 to Hyundai Motor Co.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

5.09

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 12

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P2, P4, P5, P6,P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P2, P4, P5, P6,P8 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

6.14

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 13

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P2)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P2, P4, P5, P6,P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P2, P4, P5, P6,P8 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

3.38

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 14

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P2, P4, P5, P6,P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P2, P4, P5, P6,P8 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

4.42

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 15

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P5)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P2, P4, P5, P6,P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into

P1P8 according to the process. In 2023, Hyosung sold P1, P2, P4, P5, P6,P8 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

4.31

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 16

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P2, P4, P5, P6,P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P2, P4, P5, P6,P8 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

6.71

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 17

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.2.3) Description of good/ service

Polyester Automotive Floor Carpets (P1, P2, P4, P5, P6,P8): This product uses polyester fabric. Polyester Automotive Floor Carpets divide the product range into P1P8 according to the process. In 2023, Hyosung sold P1, P2, P4, P5, P6,P8 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

7.38

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 18

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.2.3) Description of good/ service

Nylon Automotive Floor Carpets (N2, N4): This product uses nylon as a fabric material. Nylon Automotive Floor Carpets divide the product line into N1N8 according to the process. In 2023, Hyosung sold N2, N4 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

10.89

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

Row 19

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.2.3) Description of good/ service

Nylon Automotive Floor Carpets (N2, N4): This product uses nylon as a fabric material. Nylon Automotive Floor Carpets divide the product line into N1N8 according to

the process. In 2023, Hyosung sold N2, N4 to Kia Motors Corp.

(7.73.2.4) Type of product

Select from:

Intermediate

(7.73.2.5) Unique product identifier

Squaremeter (m2)

(7.73.2.6) Total emissions in kg CO2e per unit

10.55

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

07/25/2023

(7.73.2.9) Explanation of change

For the first time, we calculated the CFP(CFP: product carbon footprint) in 2022. We conducted the environmental impact assessments (LCA: Life Cycle Assessment) in 2023, but since it is being verified, we filled out the amount of CFP in 2022. As a result, we cannot see the change.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

Other, please specify :ISO 14067

[Add row]

(7.73.3) Complete the following table with data for lifecycle stages of your goods and/or services.

Row 1

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

5.67

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 2

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.06

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 3

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.4

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 4

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P3)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

2.65

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 5

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P3)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.03

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 6

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P3)

(7.73.3.3) Scope

Select from:

- Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

- Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.26

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

- Yes

(7.73.3.7) Type of data used

Select from:

- Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 7

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

3.51

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 8

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

0.11

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 9

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.8

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

- Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 10

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.3.3) Scope

Select from:

- Scope 3

(7.73.3.4) Lifecycle stage

Select from:

- Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

5.62

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 11

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.11

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 12

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.98

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 13

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P7)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

3.63

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 14

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P7)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.15

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 15

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P7)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

0.7

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 16

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

6.16

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 17

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.2

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 18

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

1.02

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 19

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

9.02

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 20

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

0.15

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 21

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

1.54

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 22

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

9.32

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 23

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.19

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 24

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

1.04

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 25

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B1)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

2.95

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 26

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B1)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.05

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 27

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B1)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.41

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 28

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

5.36

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 29

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

0.07

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 30

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B2)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.4

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 31

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B3)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

3.99

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 32

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B3)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.16

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Bio Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 33

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Bio Polyester Automotive Floor Carpets (B3)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.94

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Row 34

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

5.67

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 35

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

0.06

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

- Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 36

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P1)

(7.73.3.3) Scope

Select from:

- Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

- Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.4

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 37

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

3.02

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 38

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.04

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 39

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P2)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

0.32

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 40

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

3.51

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 41

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.11

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 42

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P4)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.8

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 43

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P5)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

3.42

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 44

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P5)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.09

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 45

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P5)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.8

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 46

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO₂e per unit

5.62

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 47

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.11

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 48

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P6)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.98

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

- Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 49

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.3.3) Scope

Select from:

- Scope 3

(7.73.3.4) Lifecycle stage

Select from:

- Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

6.16

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 50

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.2

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 51

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Polyester Automotive Floor Carpets (P8)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

1.02

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Polyester Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 52

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

9.2

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 53

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.15

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 54

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N2)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

1.54

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 55

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Material acquisition

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

9.32

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 56

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.3.3) Scope

Select from:

Scope 3

(7.73.3.4) Lifecycle stage

Select from:

Transportation

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

0.19

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

No

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

Row 57

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

Nylon Automotive Floor Carpets (N4)

(7.73.3.3) Scope

Select from:

Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

Manufacturing

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

1.04

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

Yes

(7.73.3.7) Type of data used

Select from:

Primary and secondary

(7.73.3.8) Data quality

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

Nylon Automotive Floor Carpets CFPs have been verified by LRQA in accordance with ISO 14064.

[Add row]

(7.73.4) Please detail emissions reduction initiatives completed or planned for this product.

Row 1

(7.73.4.1) Name of good/ service

Bio Polyester Automotive carpets(B2)

(7.73.4.2) Initiative ID

Select from:

Initiative 1

(7.73.4.3) Description of initiative

Hyosung is an eco-friendly product, Bio-Polyester BCF(Bulked Continuous Filament) yarn (including bio contents), to satisfy customers' needs for an Eco-Green car. We are making and selling Bio-Pet automotive floor carpets using Bio-Polyester BCF(Bulked Continuous Filament) yarn. The product carbon emissions calculated according to ISO 14067 are 6.14 kgCO2 per m2 for Polyester automotive floor carpets(P1), a reference product, and 5.83kgCO2 per m2 for Bio-Polyester automotive floor carpets(B2), an eco-friendly product. The expected avoided emissions are therefore confirmed as 0.31 kgCO2 per m2.

(7.73.4.4) Completed or planned

Select from:

Completed

(7.73.4.5) Emission reductions in kg CO2e per unit

0.31

[Add row]

(7.73.5) Have any of the initiatives described in 7.73.4 been driven by requesting CDP Supply Chain members?

Select from:

Yes

(7.73.6) Explain which initiatives have been driven by requesting members.

Row 1

(7.73.6.1) Requesting member

Select from:

(7.73.6.2) Name of good/service

Bio Polyester Automotive Floor Carpets(B2)

(7.73.6.3) Initiative ID

Select from:

Initiative 1

Row 2

(7.73.6.1) Requesting member

Select from:

(7.73.6.2) Name of good/service

Bio Polyester Automotive Floor Carpets(B2)

(7.73.6.3) Initiative ID

Select from:

Initiative 1

[Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:

Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

- Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

- Low-Carbon Investment (LCI) Registry Taxonomy

(7.74.1.3) Type of product(s) or service(s)

Chemicals and plastics

- Other, please specify :Environment friendly product- automotive floor carpets using bio PET chip

(7.74.1.4) Description of product(s) or service(s)

Hyosung is an eco-friendly product, Bio-Polyester BCF(Bulked Continuous Filament) yarn (including bio contents), to satisfy customers' needs for an Eco-Green car. We are making and selling Bio-Pet automotive floor carpets using Bio-Polyester BCF(Bulked Continuous Filament) yarn.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

- Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

- Other, please specify :ISO 14067 Greenhouse gases - carbon footprint

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

- Cradle-to-gate

(7.74.1.8) Functional unit used

m2 (1m2 of automotive carpets)

(7.74.1.9) Reference product/service or baseline scenario used

Carbon Emission Analysis Scenarios for Production of 1m2 of automotive floor carpets with Regular PET in Pre-Manufacturing (Collection of raw materials, manufacture of packaging materials, transportation of raw materials, transportation of packaging materials) and Manufacturing stage

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

Cradle-to-gate

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.000306

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

The product carbon emissions calculated according to ISO 14067 are 6.14 kgCO2/m2 for Polyester automotive floor carpets(P1), a reference product, and 5.83kgCO2/m2 for Bio-Polyester automotive floor carpets(B2), an eco-friendly product. The expected avoided emissions are therefore confirmed as 0.31 kgCO2/m2 (0.000306 tCO2/m2).

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0.35

[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

No

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

(11.2.1) Actions taken in the reporting period to progress your biodiversity-related commitments

Select from:

- Yes, we are taking actions to progress our biodiversity-related commitments

(11.2.2) Type of action taken to progress biodiversity- related commitments

Select all that apply

- Land/water management
- Species management
- Education & awareness

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

| | Does your organization use indicators to monitor biodiversity performance? | Indicators used to monitor biodiversity performance |
|--|--|--|
| | Select from: <input checked="" type="checkbox"/> Yes, we use indicators | Select all that apply <input checked="" type="checkbox"/> State and benefit indicators <input checked="" type="checkbox"/> Pressure indicators |

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Legally protected areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

No

(11.4.2) Comment

In the case of Korea, regional use is classified in the 'National Land Planning and Utilization Act', and factories cannot be established and operated in natural environmental conservation areas and agricultural and forestry areas. Oceans and Fisheries, and the Ministry of Agriculture, Food and Rural Affairs have designated various protected areas to thoroughly manage activities that affect ecology in the area.

UNESCO World Heritage sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

Yes

(11.4.2) Comment

There are six UNESCO World Heritage sites in Seoul where Hyosung's headquarter office is located and Gyeonggi Province where Anyang plant is located. And there is one in Gyeongsangnam-do Province, where Changnyeong Training Center is located.

UNESCO Man and the Biosphere Reserves

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for

biodiversity

Select from:

Yes

(11.4.2) Comment

Changnyeong-gun, where the Training Center is located, has been designated as a UNESCO Man and the Biosphere Reserves in 2024.

Ramsar sites

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

Yes

(11.4.2) Comment

There are 3 Ramsar sites in Seoul where Hyosung's headquarters office is located and Gyeonggi Province where Anyang plant is located. And there is one in Changnyeong-gun, where the Training Center is located.

Key Biodiversity Areas

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

Yes

(11.4.2) Comment

In Changnyeong-gun, where the training center is located, there are a total of 11 endangered species designated by the Ministry of Environment under the Wildlife Protection and Management Act.

Other areas important for biodiversity

(11.4.1) Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity

Select from:

No

(11.4.2) Comment

There are no other important areas related to biodiversity aside from the information described above.

[Fixed row]

(11.4.1) Provide details of your organization's activities in the reporting year located in or near to areas important for biodiversity.

Row 1

(11.4.1.2) Types of area important for biodiversity

Select all that apply

- UNESCO World Heritage sites
- UNESCO Man and the Biosphere Reserves
- Ramsar sites
- Key Biodiversity Areas

(11.4.1.4) Country/area

Select from:

Republic of Korea

(11.4.1.5) Name of the area important for biodiversity

1. Seoul (headquarter) Seoul has UNESCO World Heritage Sites such as Palaces, Joseon Royal Tombs, and Bamseom designated as Ramsar site. 2. Southern Gyeonggi-do(plant, R&D Centers) It has nearby UNESCO World Heritage sites such as Hwaseong Fortress and tidal flats designated as Ramsar site. 3. Changnyeong-gun(training center) It is designated as a UNESCO Human and Biosphere Reserve, has Upo Wetland designated as Ramsar site, and is also a state-designated endangered species distribution area.

(11.4.1.6) Proximity

Select from:

Up to 50 km

(11.4.1.8) Briefly describe your organization's activities in the reporting year located in or near to the selected area

1. Seoul (headquarters office) The headquarters is a place where daily office work takes place, and greenhouse gas emissions and pollutants are insignificant. 2. Anyang-si, the southern part of Gyeonggi-do Province (manufacturing plant/R&D Centers) Anyang Manufacturing Plant produces automotive floor carpet/mat and goes through the process of spinning yarn, processing yarn, tufting, and coating. The R&D center conducts research and development in textile, chemical, and heavy industries 3. Changnyeong-gun, Gyeongsangnam-do (training center) The training center is a small-scale of about 1.5ha and provides collective training for our executives and employees.

(11.4.1.9) Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Select from:

Yes, but mitigation measures have been implemented

(11.4.1.10) Mitigation measures implemented within the selected area

Select all that apply

Abatement controls

Restoration

(11.4.1.11) Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

1. Abatement controls 1) Water quality The Anyang Plant undergoes water quality analysis four times a month for general pollutants and quarterly for specific hazardous substances through an external agency. The plant also set its own management standards, which are stricter than legal requirement, with water pollutant discharge limited to within the 30% of the legal limit. 2. Air quality The Anyang Plant has management standards at 20% of the legal emission allowance for air

pollutant such as NOX and SOX. The plant conducts continuous monitoring, and in case of excess, it undergoes immediate improvement measures, such as equipment replacement. Also, the installation of low- NOX burners helps minimize ²⁴ pollutant emissions. In addition, the plant rules out the use of substances containing chlorofluorocarbons, which are governed by Montreal Protocol. 3. Waste The Anyang Plant processed defective chips and yarns into a form that can be sold to recyclers instead of disposing of them. 2. Restoration Hyosung conducts environmental cleanup activities at Anyangcheon Stream and Hogye Neighborhood Park every month to improve water quality, protect habitats, and restore ecosystems around Anyangcheon Stream where the factory is located. In addition, although it is not near the business site, we are working to expand the positive impact on the ecological environment. Hyosung is working with its affiliates to create a sea forest. In 2022 and 2023, we have transplanted 10,000 seedlings of Jalpi with high carbon absorption function to the southern coast, and we plan to create a sea forest consisting of Jalpi and seaweed on 159ha of tidal flats by 2027. In addition, we are engaged in winter bird feeding and treatment support activities. Together with Gimhae City, we conducted feeding activities in the Hwapocheon Wetlands, where endangered migratory birds live, in 2023 and 2024, and supported the treatment and natural release of eagles rescued just before starvation.

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

| | |
|--|---|
| | Other environmental information included in your CDP response is verified and/or assured by a third party |
| | Select from: <input checked="" type="checkbox"/> Yes |

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction

All data points in module 1

(13.1.1.3) Verification/assurance standard

General standards

- AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Identification, assessment, and management of dependencies, impacts, risks, and opportunities

- All data points in module 2

(13.1.1.3) Verification/assurance standard

General standards

- AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Disclosure of risks and opportunities

All data points in module 3

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 4

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Governance

- All data points in module 4

(13.1.1.3) Verification/assurance standard

General standards

- AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 5

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

- All data points in module 5

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 6

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Consolidation approach

All data points in module 6

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 7

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

All data points in module 7

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

Climate change-related standards

ISO 14064-3

Korean GHG and energy target management system

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 8

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Introduction

All data points in module 1

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

Row 9

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Identification, assessment, and management of dependencies, impacts, risks, and opportunities

All data points in module 2

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 10

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Disclosure of risks and opportunities

All data points in module 3

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 11

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Governance

- All data points in module 4

(13.1.1.3) Verification/assurance standard

General standards

- AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 12

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Business strategy

- All data points in module 5

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

Row 13

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Consolidation approach

All data points in module 6

(13.1.1.3) Verification/assurance standard

General standards

AA1000AS

(13.1.1.4) Further details of the third-party verification/assurance process

Hyosung has received third-party verification through its sustainability management report. The verification of the sustainability management report is conducted

annually, and it has been verified at a limited assurance level. The verification opinion for the sustainability management report can be found on page 143 of the attached file. Additionally, the greenhouse gas emissions for Scope 1 and 2 were verified at a reasonable assurance level, while Scope 3 was verified at a limited assurance level and reported in the sustainability management report.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 2023 Hyosung sustainability report_ENG.pdf

[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

CEO & President, Hyosung Corp.

(13.3.2) Corresponding job category

Select from:

Chief Executive Officer (CEO)

[Fixed row]

