

1. Purpose

The purpose of this document is to establish that Hyosung Heavy Industries (hereinafter referred to as the "Company") acknowledges biodiversity conservation as a critical global environmental concern linked to climate change. The Company aims to enhance stakeholders' quality of life by promoting biodiversity conservation and sustainable resource management.

2. Definition of Terms

- 2.1 The term 'Biodiversity' refers to the variability among organisms stemming from all resources, encompassing terrestrial, marine, and other aquatic ecosystems, as well as ecological complexes. It includes diversity among species and their interactions within ecosystems
- 2.2 The term 'Employees' refers to all individuals employed by the Company, including both regular and non-regular staff.
- 2.3 The term 'Stakeholders' refers to all entities or individuals with a direct or indirect relationship to the Company's management activities. This includes business partners, customers, local communities, and any other relevant parties who are impacted by or have an interest in the Company's operations.

3. Scope of Application

- 3.1 This Policy applies to all employees within the Company's financial consolidation scope, which includes the Company's headquarters, domestic and overseas production and sales corporations and branches, and subsidiaries.
- 3.2 Even when interacting with business partners, agencies, and outsourcing partners, employees shall encourage compliance with this Biodiversity Policy.
- 3.3 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. General Principles

4.1 Mainstreaming Biodiversity

The Company promotes continuous initiatives to enhance awareness, with employees actively engaging on a voluntary basis.

4.2 Strategic Management of Biodiversity Risks and Opportunities in Business

The Company strives to mitigate environmental impacts through proactive management of biodiversity risks and opportunities

4.3 Biodiversity Conservation and Promotion

The Company takes a leading role in enhancing human well-being through the integration of ecosystem conservation and biodiversity enhancement across the entire product lifecycle.

4.4 Sustainable Ecosystem Utilization

The Company innovates environmentally sustainable technologies and products, incorporating considerations for sustainable resource management.

4.5 Biodiversity Engagement Strengthening

The Company engages proactively in biodiversity enhancement initiatives, fostering collaboration with a broad spectrum of stakeholders.

4.6 Transparent Disclosure of Biodiversity Information

The Company cultivates stakeholder trust by disclosing precise and transparent biodiversity information based on factual accuracy.

5. Management System

5.1 The Company designates the ESG Management Team as the responsible department (hereinafter referred to as the “Responsible Department”) to ensure the smooth implementation of this policy.

5.2 The Responsible Department reports quarterly on biodiversity online education and activities to the Green Management Committee. The results undergo a materiality assessment process. Key findings identified through this assessment are then reported to the ESG Management Promotion Committee, the highest decision-making body, for final review and decision-making.

Responsible Department	Interim Reporting	Decision-Making Body
ESG Management Team	Green Management Committee	ESG Management Promotion Committee

6. Implementation Plans and Goals

6.1 The Company endeavors to foster employee awareness of biodiversity impacts and actively pursues ecosystem conservation activities to minimize negative effects on biodiversity.

6.2 The Company endeavors to devise and execute two additional employee engagement initiatives on biodiversity by 2025.