HL Mando / Our vision is your freedom.
In our creation, your tomorrow will be safer, greener and easier.

Document No.	Climate & Energy-2025-01
Version	2nd
Management Department	Climate & Energy

HL Mando Environmental Policy

Contents

1. Purpose 3

2. Applied area 3

3. Governance and Implementation Framework 3

4. Environmental management policy 4

5. Establishment of Targets and Performance Management 6

[Supplementary Provisions] 8

1. Purpose

HL Mando recognizes environmental management as a major factor in sustainable growth and announces the following environmental policies to protect the environment while carrying out all its business activities. HL Mando will introduce and operate an environmental management system to implement the environmental policies, and will continuously inspect and improve its environmental management system.

2. Applied area

HL Mando's employees including headquarters, global manufacturing plants, R&D centers, logistics centers, and offices must faithfully implement this policy, and we expect that the stakeholders including HL Mando's business partners will also participate in environmental protection and strive to establish an appropriate management and measuring system.

If there is a conflict between this policy and the laws of a local country, stricter standards must be followed, and this policy can be revised to reflect the laws of the local country and industry characteristics.

3. Governance and Implementation Framework

HL Mando operates a governance framework to strengthen company-wide environmental management. The executive responsible for environmental management oversees environmental and climate-related issues and risks throughout the Company and monitors environmental management performance. Under the leadership of the executive responsible for environmental management, environmental organizations are established and operated at the headquarters and business sites, with dedicated personnel assigned to environmental and climate-related responsibilities.

Key environmental and climate-related matters are reported quarterly to the Carbon Neutrality Committee, chaired by the Chief Executive Officer (CEO), to review environmental management performance and determine the direction of environmental management.
Material environmental and climate-related issues are further reported semi-annually to the Sustainability Management Committee of the Board of Directors for deliberation and approval.

4. Environmental management policy

A. Pollution prevention and environmental protection

We strictly abide by international agreements and environmental laws that directly apply to our business activities, and thoroughly comply with the requirements of our stakeholders, such as customers and local communities. We respond proactively to strengthened and new environmental laws and regulations, and continuously improve our level of compliance.

B. Operation of environmental management system

We establish an environmental management system to identify environmental impacts in the entire process of business activities, such as R&D, purchase, production, construction, transportation, sales, use, disposal, and service provision, and operate it to effectively manage environmental risks. We conduct regular management reviews and internal environmental management audits, and continuously improve the environmental management system by reflecting new and strengthened environmental laws and regulations and stakeholder requirements.

C. Business environment impact management

Before starting a new business, we identify potential environmental impacts of proposed business activities and reflect it in our environmental management system. In addition, prior to any mergers and acquisitions, we identify environmental risks in the entire business activities of a target company/acquirer and reflect them in our decision-making.

D. Pollution prevention and environmental protection

We consider the environmental impact in all our business activities and strive to minimize or eliminate environmental loads.

a. **Hazardous Chemicals**

To minimize the negative health and safety-related impacts that may affect stakeholders including customers and consumers, raw materials and parts are inspected to detect any presence of hazardous chemicals, and after identifying any hazardous chemicals or materials, any information related to such chemicals or materials used in manufacturing, import, use, transport, and storage are tracked. In addition, to minimize the environmental impact, we continue to promote the conversion of hazardous chemicals into less hazardous substances. Furthermore, in order to handle hazardous chemicals in an appropriate way and prevent accidents involving leakage, we take various measures such as carrying out hazardous materials incident response procedures, providing Material Safety Data Sheets (MSDS) and employee trainings.

b. **Resource reduction and waste**

To establish a sustainable resource recycling system, we establish a management system

that can measure waste in its capability of reduction, reuse, and recycling, and strive to minimize waste during the product life cycle.

c. **Air Pollutant Emissions**

We establish and manage the air emission control system for various types of organic compounds produced during the process. All air pollutants generated must be monitored and treated regularly, and managed in accordance with the legal standards or stricter internal standards to reduce air pollutants.

d. **Water management**

To protect water resources and control pollution routes, we establish a management system that measures use and discharge of water source, and manage all wastewater discharged and reduce water use activities thereof. Discharged water pollutants must be managed in accordance with the legal standards or stricter internal standards, and regular inspections are conducted to ensure the optimal performance of treatment facilities in the workplace.

e. **Carbon neutrality**

To contribute to international efforts to combat climate change, we establish a system to measure and disclose energy consumption and greenhouse gas emissions, and strive to improve energy efficiency and minimize greenhouse gas emissions. HL Mando strives to reduce greenhouse gas with the goal of achieving carbon neutrality across the entire value chain by 2045 in order to limit global temperature rise below 1.5℃ in accordance with the Paris Climate Change Agreement. A feasible and reliable greenhouse gas reduction strategy and implementation plan should be established considering internal and external requirements and international standards for Global Scope 1, 2, and 3. HL Mando aims to transition 100% of the energy used at all business sites to renewable energy. To achieve this, we develop and implement a phased action plan. We review various options such as renewable energy generation, purchase of certificates, and PPA, and strive for effective renewable energy transition by applying renewable energy solutions appropriate to business conditions.

f. **Local Pollution**

Discharged pollutants must be treated in an appropriate way to protect the health and safety of all our employees and the local community, and we aim to minimize the emission of pollutants and to reuse and recycle the pollutants to the extent possible.

g. **Development and expansion of eco-friendly technology**

We aim to develop eco-friendly product materials to reduce environmental impact

throughout the entire process of product design, production, distribution, use and disposal, and to expand eco-friendly technology and products through continuous research to minimize environmental impact.

h. **Biodiversity**

We attach great importance to the restoration of ecosystems and conservation of biodiversity, and recognize and understand the potential impact of business on the environment and biodiversity. We aim to minimize adverse impacts on the environment by carrying out as follows:

i. Prevent and minimize factors that threaten biodiversity when building or expanding facilities or workplace sites, and conduct monitoring as necessary.
ii. Acknowledge international conventions on the protection of biodiversity and land (World Heritage areas, IUCN Category I-IV protected areas), and comply with applicable national and local legal requirements for workplace sites to which the convention applies.
iii. Help protect endangered, rare and endemic species, and conduct activities to raise awareness, such as providing relevant information to employees and stakeholders.

E. **Transparent environmental management system**

We encourage active participation from all stakeholders for a transparent environmental management system by disclosing our environmental policies, goals, and implementation tasks to all stakeholders. We establish a communication channel through which all stakeholders can participate and where we can review their requirements, and reflect them in our environmental management system.g

5. Establishment of Targets and Performance Management

A. Establishment of Environmental Targets

Environmental targets are established and managed using key factors that significantly impact the environment during business activities. Efforts are made to minimize environmental impacts by identifying indicators derived from environmental regulations, stakeholder requirements, and other significant environmental factors. For major management indicators, both short-term and mid- to long-term improvement targets and implementation plans are established.

B. Implementation and Review

To achieve the short-term and mid- to long-term targets, feasible and specific action plans must be developed. The necessary human and material resources should be secured, and, if needed, consultation and collaboration with related departments should be conducted

to ensure effective achievement of the targets. Progress toward the targets is regularly reviewed and quantitatively monitored. The effectiveness of the activities, as well as any challenges encountered, are regularly checked, and items requiring improvement are set as key action tasks to continuously refine the strategies for achieving the targets. If necessary, the targets may be adjusted based on the review results.

C. Performance Management

For effective achievement of environmental targets at the corporate and site level, improvements of each indicator and progress against the targets are managed. Relevant management and site general managers must continuously strive to improve environmental indicators and achieve the established targets.

[Supplementary Provisions]

A. This environmental policy is enacted and implemented as of July 29, 2022.

B. This environmental policy is revised and implemented as of June 30, 2025.

C. Revision history

Document No.	Version	Revsion date (Effective date)	Major enactments and amendments
Environment&Safety-2022-01	0	29 Jul 2022	First enacted
Climate&Energy-2024-01	1st	11 Jan 2024	Revision (addition of promotion organization and implementation system, carbon neutrality goal and strategy, target setting and performance management)
Climate&Energy-2025-01	2nd	30 Jun 2025	Revision (Commitment to 100% Renewable Energy)

HL Mando Corporation

CEO : Seong-Hyeon Cho _____ **COO : Yeong-Il Hong** _____

Sustainability Management Committee

Committee Member :

Nam-Il Kang _____ **Won-Il Kim** _____

Gi-Chan Park _____ **Si-Young Chung** _____



Management Department
Climate & Energy Team | Global Operation hub