

# Hankook & Company

2024 – 2025 ESG Factbook



## Intro

### ESG Factbook Overview

Hankook & Company publishes ESG Factbook 2024 to share its ESG management status with external stakeholders. This Factbook contains faithful descriptions of essential details and core data, focusing on activities and achievements in the environmental, social, and governance areas.

### Reporting Period and Scope

The reporting period for ESG Factbook 2024 is from January 1, 2024 to December 31, 2024, and quantitative data for three years from 2022 to 2024 are presented. For significant achievements outside of the reporting period, major issues from 2021 to the first half of 2025 are included, and the scope of the report covers all of Hankook & Company's global business sites, including Jeonju and Daejeon in Korea and Tennessee in the United States. If the reporting period and scope require attention or a separate explanation, they are clearly indicated in annotations.

Data Scope	
A) Domestic Production Establishments	A) Domestic Production Establishments
B) Overseas Production Establishments	B) Overseas Production Establishments
C) Domestic Other Business Establishments	C) Domestic Other Business Establishments

### Inquiries about the Report

If you have any further questions or need information about the report, please contact us using the contact details below.

We look forward to opinions and advice from our stakeholders.

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## Contents

<b>Overview</b>		4
<hr/>		
<b>Environment</b>	Environmental Management	7
	Greenhouse Gas	14
	Energy	16
	Raw and Subsidiary Materials	18
	Waste	19
	Water	22
	Environmental Pollution	24
<hr/>		
<b>Social</b>	Human Rights/Diversity	29
	Safety/Health	39
	Supply Chain Management	43
	Local Communities	45
<hr/>		
<b>Governance</b>	BOD-Centered Management	47
	Ethical Management	48

## Overview

Hankook & Company is the holding company for Hankook Tire & Technology, and is a global mobility leader actively responding to the shift towards the eco-friendly energy market.

This shift is based on the ES Business Division (formerly Hankook AtlasBX), which focuses on battery business. By realizing our most important values, we present a better life.

The Business Headquarters, with over 80 years of technology and expertise, provides top-notch products and services to customers around the world.

We are accelerating our global business by supplying OE batteries to finished vehicle manufacturers, constructing our Tennessee Plant in the U.S., and expanding our global network in Germany, Santiago, and other locations.

## Innovation

We explore ways to achieve innovation with our top-notch technological capabilities.

We prepare advanced technologies so that more people can realize innovation on their own.

## Future

We constantly challenge ourselves towards a new future.

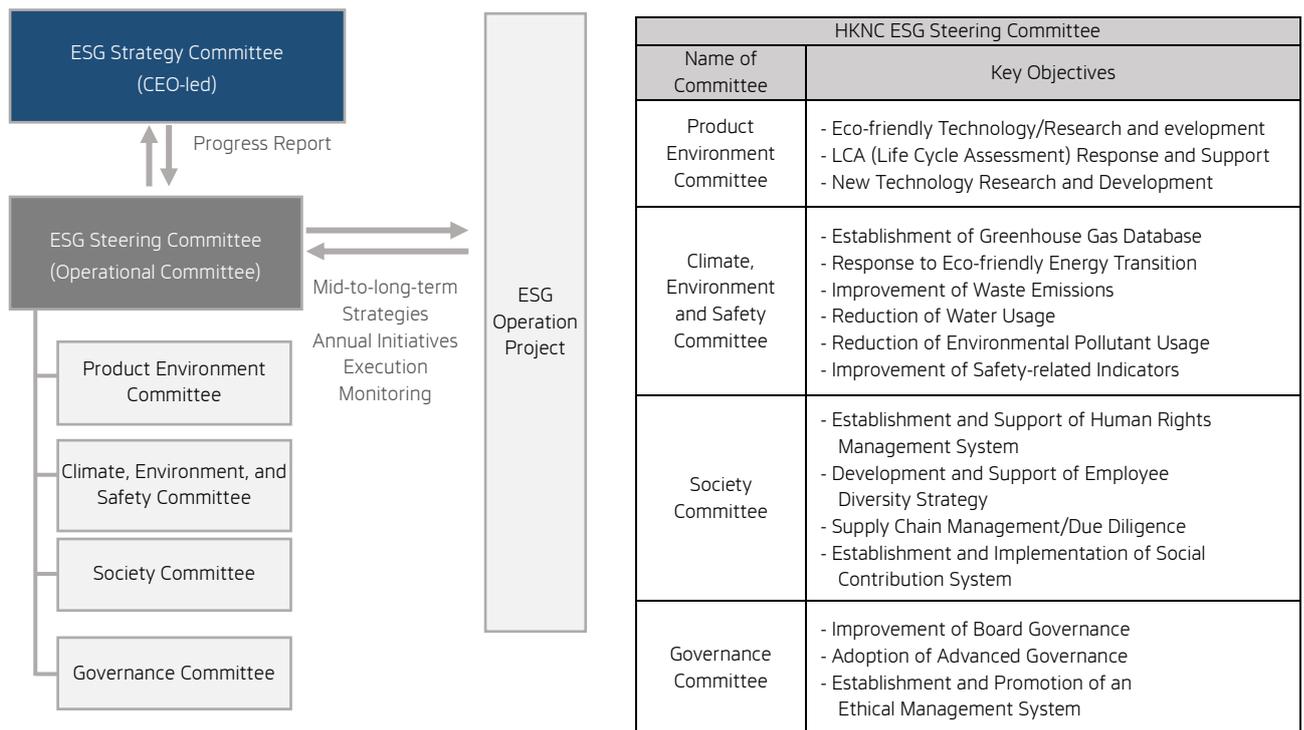
We are pioneering new paradigms to create a unique and better future.

Today, we are still advancing towards leading the future mobility business, striving for a sustainable tomorrow for both people and the planet.

## HKNC ESG Management System

Hankook & Company has established an ESG management system for sustainable corporate management. To oversee ESG management, we have formed an ESG Strategy Committee chaired by the CEO (CBO) and an operational ESG Committee, which manages sustainability issues and concerns.

[ HKNC ESG Management System Diagram ]



**[Sustainable Environmental Medium- and Long-term Goals and Strategies]**

Hankook & Company has established medium- and long-term strategies to prevent the severe environmental impacts of climate crises and protect ecosystems and climate systems.

We have developed detailed tasks and goals in line with these strategies for protect sustainable environment.

Strategies	Strategic Tasks	Key Initiatives
Reduction of Greenhouse Gas emissions	2050 Carbon Neutral	<ul style="list-style-type: none"> <li>- Setting Greenhouse Gas Reduction Goals                             <ul style="list-style-type: none"> <li>▶ Mid- to long-term goals: 40% reduction in greenhouse gas emission Intensity by 2030 (compared to 2023)</li> </ul> </li> <li>- Development and Application of Greenhouse Gas Reduction Technology</li> <li>- Setting Energy Use Reduction Goals                             <ul style="list-style-type: none"> <li>▶ Mid- to long-term goal: 30% reduction in energy use intensity by 2030 (compared by 2023)</li> </ul> </li> <li>- Improve energy efficiency to reduce energy use</li> <li>- Renewable Energy Transition Review</li> </ul>
Production to Minimize Environmental impact	Reduce waste Emissions by 30% by 2030 (compared to 2023)	<ul style="list-style-type: none"> <li>- Reduce production process waste (Scrap) emission</li> <li>- Expand recycling of raw materials through the establishment of its own circulation system</li> <li>- Optimization of operation of pollution prevention facilities</li> <li>- biodiversity conservation activities</li> </ul>
	Reduce water intake by 30% by 2030 (compared to 2023)	<ul style="list-style-type: none"> <li>- Reduce water usage in production processes</li> <li>- Expand water recycling through improvement of water circulation system</li> </ul>

# Environment

## 1. Environmental Management

Based on our mission to realize the future envisioned by our customers through innovation, Hankook & Company prioritizes environmental management as a key component of our business strategy as a "Smart Energy Solution Provider." We are continuously working towards the completion of a circular economy.

### Establishment of environmental management system

Hankook & Company has established an environmental management system linked to the ESG management system to prevent the serious environmental impact of the climate crisis and to protect the ecosystem and climate system



Hankook & Company is continuously working to build and improve an eco-friendly circular economy system. Our core business areas, such as automotive and industrial lead-acid batteries, require reliable safety, and we are therefore establishing the highest level of circular economy systems in the world through cost-effective and sustainable smart energy solutions.

In particular, most of the core raw materials for lead-acid batteries—lead, polypropylene (PP) and sulfuric acid—are recycled through a circular supply chain.

This process is much more efficient in terms of energy consumption and greenhouse gas emissions compared to using materials mined from the ground.

We define the responsibilities and authorities related to environmental management for top executives through our environmental management policy.

Additionally, we conduct sustainability assessments of our supply chain to diagnose and evaluate environmental management risks.

## **Hankook & Company Environmental Management Policy**

Hankook & Company's environmental management policy is to protect and improve the business domains, local communities, and the global environment as the highest priority, implement a management philosophy with environmental protection and improvement as a management task and develop continuous activities to reconcile with business activities.

To achieve it, we make the following resolutions and actions

- Develop environmental improvement activities to voluntarily comply with external laws, regulations, and agreements related to business activities.
- Identify and evaluate elements that significantly impact the environment in business activities and take corrective actions to minimize these factors.
- Fulfill our environmental commitments, including stakeholders, and establish and implement environmental management plans to continuously improve them.

All executives and employees understand this environmental policy and fulfill their responsibilities to achieve the set goals.

### **Global Environment Protection**

We are making generous investments and continuous efforts for the future of the global environment.

### **Business Site Environment**

We minimize the environmental impact at business sites by reducing the use of resources required in the manufacturing process of products and preventing the leakage of harmful and polluting substances. Furthermore, we will expand resource recycling and recovery to open the Green Survival era, where human survival and corporate activities can coexist.

- Set up environmental objectives to practice environmental management and strive to achieve them
- For the safe use of chemicals, review their environmental and health impacts, use them safely and dispose of them properly
- Reduce the use of resources such as raw and subsidiary materials and water related to products and services
- Minimize energy use and reduce greenhouse gas emissions by improving energy efficiency and using renewable energy
- Minimize effects on the environment such as water pollution, air pollution, soil pollution, groundwater pollution, and waste generation from product manufacturing activities

### **Protection of Water Resources**

In order to protect water resources essential to humans and the ecosystem, water pollutants managed according to internal standards that are stricter than legal standards, and water recycled during the production process.

- Reduce water usage and increase recycling

### **Product Liability**

Since the environment is an essential management element for corporate sustainability, we recognize the environmental impact of the manufacturing process and product use as our responsibility.

We are continuously researching ways to reduce environmental impact by considering the entire product life cycle starting from the design stage

- Research and development of eco-friendly products
- Expand the usage of sustainable raw materials

### **Climate Change**

Recognizing that climate change is an urgent global issue that will have a devastating impact on future humanity and ecosystems, working to fulfill the role and responsibility of companies.

Hankook & company supports the Paris Agreement and will join in reducing global greenhouse gas emissions and implementing climate change adaptations to curb global temperature increases to within 1.5°C.

- Reduce energy usage
- Use clean energy
- Introduction of innovative reduction technologies

## Primary Environmental Management Certifications

### ISO 14001 (Environmental management system)

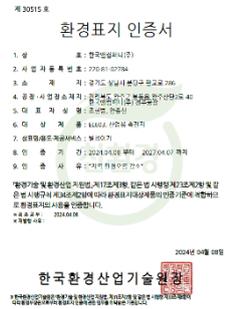
ISO 14001 is the international standard for energy management systems.

We have obtained ISO 14001 certification (valid until January 30, 2025) to efficiently manage environmental risks by systematically identifying, evaluating, managing, and improving ecological aspects through an environmental management system.



### ECO LABEL Certification

ECO LABEL certification is granted to products that reduce energy and resource consumption and minimize the generation of pollutants in each stage of the entire product process, and we received the certification for EL603 (Jeonju Plant).



### LEED Certification

LEED (Leadership in Energy and Environmental Design) certification is an evaluation scheme developed by the U.S. Green Building Council (USGBC) and is one of the most reputable and recognized certification systems among eco-friendly certification systems for architecture and interiors worldwide. Hankook Technodome, where Hankook & Company's R&D division is located, received LEED Gold certification in 2016.



### < Key Environmental Management Certifications >

Certification Name	Applicable Facilities/Subjects	Validity Period
ISO 14001 (Environmental Management System)	Daejeon Plant Jeonju Plant	January 30, 2028
Environmental Label Certification	Jeonju Plant / EL603	April 7, 2027
LEED Gold Certification	Hankook Technodome	None

## Key Environmental Initiatives

### UN SDGs(UN Sustainable Development Goals)

Hankook & Company supports and strives to implement the 17 goals of the UN SDGs, which are a shared vision for achieving sustainable development.



### CDP (Climate Disclosure Project)

CDP is a global initiative that discloses and manages information and data on environmental issues such as climate change, water resources management, and forest protection. Hankook & Company participates in CDP evaluations.



### BNBP(Biz N Biodiversity Platform)

BNBP is an initiative established in 2016 to make companies recognize their international and social responsibilities towards biodiversity conservation and use. It aims to support the conservation and sustainable use of biodiversity across all business activities. Hankook & Company shares responsibility for biodiversity conservation through its membership in BNBP and works towards these goals.



## Environmental Management Training

In addition to obtaining ISO 14001 (Environmental Management System) certification, the company conducts regular training for internal auditors and internal training for the Environmental Safety Team, an organization dedicated to environmental management, to strengthen environmental management and management capabilities.

Training Name	Training Institution	Training Achievements
ISO 14001 Internal Auditors Qualification Renewal and New Training	TÜV Rheinland Korea	Daejeon Plant: 17 people / March 9, 2023
		Jeonju Plant: 14 people / March 10, 2023
Environmental Management System Training	Internal training of the Environmental Safety Team	Daejeon Plant: 6 people / Jun, 2024
		Jeonju Plant: 6 people / May, 2024

## Emergency Scenario Training

In accordance with Article 3, Clause 8 of the Enforcement Decree of the Serious Accidents Punishment Act, we have established emergency response regulations (KB-13N-08-00). Based on this, we have developed and conduct monthly emergency response scenario training for all employees across our facilities..

Item	Establishments	Training Instances	Notes
Emergency Scenario Training Achievements	Daejeon Plant	12	- Headquarters/Research Institute: Online training posted - Daejeon/Jeonju Plant: On-site training conducted
	Jeonju Plant	12	
	HQ	12	
	Research Institute	12	

## Climate Change Response Management

Based on the SPP 5-8.5 scenario criteria, the analysis of the impact of weather disasters that have a significant impact on the business, and the impact of each NGFS scenario (REMIND model) considering SPP, we continue to identify climate change risks and opportunities to mitigate and exploit the impact of identified risks.

### [Climate Change Risks]

Type	Cause of occurrence	Potential financial impact	Period of occurrence	Countermeasures
Market	Changes in the Automobile Market by Strengthening Carbon Neutrality Policy	Shrinking the market for products and services	Middle-term Long-term	- Development of product with reduced and reduced weight requirements
Market	Strengthen the obligation to use recycled raw materials	Decreased sales volume if unmet	Middle-term Long-term	- Regulatory response through continuous monitoring - Discovery and expansion of recycled raw material supply chain
Transition risk	Strengthen global carbon neutrality policies and strengthen regulations	Increased greenhouse gas emission costs	Short-term Middle-term Long-term	- Progress in reducing greenhouse gases with the goal of carbon neutrality - Operation of policies that take carbon emissions into account, such as application of the internal carbon pricing system (ICP)
Physical risk	Increased extreme weather events such as heat waves due to rising temperatures	Increased operating costs and decreased in profits due to decreased production capacity	Short-term Middle-term	- Establish disaster response scenarios and implement education - Analyze facility impacts and implement energy efficiency management - Review greenhouse gas reduction through renewable energy conversion

### [Climate Change opportunities]

Type	Cause of occurrence	Potential financial impact	Period of occurrence	Countermeasures
Products / Services	Increased electric vehicles and enhanced functionality	Increased revenue by developing new and emerging products	Middle-term Long-term	- Development of small products for light weight - Development and expansion of high-performance products such as AGM and EFB
Products / Services	Strengthen the obligation to use recycled raw materials	Increased revenue by developing new and emerging products	Middle-term Long-term	- Discovering and expanding the supply chain for recycled raw materials - Establishing a circular economy by developing raw material recycling technology - Eco-friendly product design for post-disposal recycling
Products / Services	Development and expansion of low-carbon products	Increased sales of new and emerging products	Short-term Middle-term Long-term	- Development of low carbon products through LCA - Development and expansion of product lines that meet the requirements of global automakers
Energy	Reduced greenhouse gas emissions from energy use	Decreased greenhouse gas emission costs	Short-term Middle-term Long-term	- Reduced energy use with energy efficiency management - Consider Greenhouse Gas Reduction through Renewable Energy Conversion

## Response to Major Environmental Laws and Regulations

We carry out various response activities to ensure compliance with key environmental laws and regulations related to our business.

Major Laws and Regulations	Response Activities
<p><b>Framework Act on Carbon Neutrality and Green Growth for Responding to Climate Crisis</b>                      The Act aims to prevent the severe impacts of climate crisis, protect ecosystems and climate systems, and contribute to the international community's sustainable development. It outlines key elements necessary for carbon neutrality policies, including international cooperation on climate crisis.                      It specifies the national carbon neutrality target for 2050 and the greenhouse gas reduction target for 2030 (NDC).</p>	<p>Hankook &amp; Company recognizes the seriousness of the climate crisis and has established strategies and long-term goals for reducing greenhouse gas emissions to contribute to sustainable development. We are reviewing measures to achieve the established targets.</p>
<p><b>Act on Allocation and Trading of Greenhouse Gas Emission Rights</b>                      This Act provides the institutional framework for the "Greenhouse Gas Emission Trading System" to efficiently achieve national greenhouse gas reduction targets by utilizing market mechanisms. It regulates the methods for allocating greenhouse gas emission allowances, registration, and management.</p>	<p>Hankook &amp; Company, as a company subject to the emission trading system allocation, manages and reports its greenhouse gas emissions annually through third-party verification. We are committed to reducing greenhouse gas emissions and energy usage.</p>
<p><b>Chemical Substances Control Act</b>                      This Act aims to prevent hazards from chemicals used at business sites, manage chemicals appropriately, and respond quickly to accidents involving chemicals to protect people and the environment.</p>	<p>To ensure the safe handling of chemicals, we provide regular training for chemical handlers and staff, and conduct inspections of chemical usage and handling facilities to maintain high standards in chemical management.</p>
<p><b>Air and Water Quality Conservation Act</b>                      Established to prevent hazards from environmental pollutants such as air and water pollutants and to sustainably manage and preserve air and water environments.</p>	<p>Hankook &amp; Company measures and manages the discharge of environmental pollutants within its facilities based on strengthened internal management standards for environmental pollutants.</p>
<p><b>Basic Act on Resource Circulation</b>                      This Act aims to reduce waste generation and promote the recycling of generated waste by regulating fundamental aspects of sustainable resource circulation.</p>	<p>We recycle lead waste generated during the production process through our own resource circulation procedures. Waste that can't be recycled in-house is handled through proper procedures and entrusted to certified recycling companies.</p>

## Environmental Regulation Violations

We disclose information regarding violations of environmental regulations and measures taken to prevent recurrence through our environmental information disclosure system, there are no environmental regulatory violations in 2024.

## 2. Greenhouse Gas

### ■ Greenhouse Gas Emissions

Category			Unit	2022	2023	2024	Data Scope
SCOPE 1	Domestic	Daejeon Plant	tCO2eq	5,359.39	5,190.32	5,574.52	A
		Jeonju Plant	tCO2eq	4,119.03	4,628.17	3,805.55	
		Other Business Establishments	tCO2eq	363.72	391.11	373.19	C
	Overseas	Tennessee Plant	tCO2eq	2,870.04	2,804.99	2,689.16	B
	<b>Subtotal</b>			<b>tCO2eq</b>	<b>12,712.18</b>	<b>13,014.59</b>	<b>12,442.41</b>
SCOPE 2	Domestic	Daejeon Plant	tCO2eq	27,002.80	28,142.48	29,665.20	A
		Jeonju Plant	tCO2eq	30,986.23	34,872.46	39,100.19	
		Other Business Establishments	tCO2eq	2,709.32	3,014.91	3,260.29	C
	Overseas	Tennessee Plant	tCO2eq	6,074.18	7,977.22	8,426.58	B
	<b>Subtotal</b>			<b>tCO2eq</b>	<b>66,772.53</b>	<b>74,007.06</b>	<b>80,452.27</b>
<b>Total Greenhouse Gas Emissions</b>			<b>tCO2eq</b>	<b>79,484.72</b>	<b>87,021.66</b>	<b>92,894.68</b>	A~C

※ Domestic: Based on NGMS (National Greenhouse Gas Management System) standards

※ Overseas: Calculated using the national-specific calorific values by fuel type  
(as per the Enforcement Rules of the Energy Act)

### ■ Greenhouse Gas Emission Intensity\*

Category			Unit	2022	2023	2024	Data Scope
Scope 1+2 Greenhouse Gas Emission Intensity	Domestic	Daejeon Plant	tCO2eq/ton	0.52	0.53	0.50	A
		Jeonju Plant	tCO2eq/ton	0.61	0.60	0.57	
	Overseas	Tennessee Plant	tCO2eq/ton	0.57	0.49	0.40	B
	<b>Total</b>			<b>tCO2eq/ton</b>	<b>0.57</b>	<b>0.55</b>	<b>0.51</b>

※ Emission Intensity = Greenhouse Gas Emissions per Unit (Carbon Emissions per Production Weight)

### ■ Greenhouse Gas Emission Performance Against Targets

Category			Absolute Amount (tCO2)	Intensity (tCO2/ton)	Data Scope
Emission Performance Against 2024 Target	Domestic	Target Emission	76,914.00	0.481	A
		Actual Emission	78,145.46	0.536	
	<b>Differences</b>			<b>1,231.46</b>	<b>0.115</b>

### ■ Greenhouse Gas Emission Reduction Rate

Category		Unit	Absolute Basis	Intensity Basis	Data Scope	
Compared to 2023 Reduction Rate	Domestic	Daejeon Plant	%	5.7 ▲	5.3 ▼	A
		Jeonju Plant	%	8.6 ▲	4.3 ▼	
	Total Reduction Rate		%	7.3 ▲	4.7 ▼	A

### ■ Greenhouse Gas Emission Reduction Target

To achieve our [2050 Carbon Neutrality] goal, we have established [2030 Long-term Targets] with 2023 as the baseline year. We have set a target to reduce greenhouse gas emissions by 40% compared to the emissions performance of the baseline year

Category		Absolute Amount (tCO2)	Intensity (tCO2/ton)	Data Scope	
2030, Scope 1+2 Emission Target	Domestic	Daejeon Plant	19,999.68	0.32	A
		Jeonju Plant	23,700.37	0.36	
	Total Reduction Target		43,700.06	0.34	A

### ■ Emissions Trading System Performance

As a company subject to the emissions trading system, we conduct emissions trading based on the greenhouse gas emissions generated at our facilities.

We manage the purchase, sale, or carryover of excess or remaining emissions through a dedicated emissions allowance budget

Category		Unit	2022	2023	2024	Data Scope	
Emission Rights Trading	Domestic	Emission Rights Purchase	Thousand KRW	0.0	0.0	Undecided	A
		Emission Rights Sales	Thousand KRW	1,665.5	0.0	0.0	

※ Emission rights for 2024, will be purchased due to excess greenhouse gas emissions (2,646 tCO2)

### ■ Ownership of Eco-friendly Vehicles

We have 12 vehicles through rentals, and we do not own any eco-friendly vehicles such as electric or hybrid cars.

### 3. Energy

#### ■ Energy Usage

Category				Unit	2022	2023	2024	Data Scope	
Domestic	Non renewable Energy	Daejeon Plant	Gas Fuel	TJ	104.76	101.45	108.98	A	
			Liquid Fuel	TJ	0.05	0.05	0.06		
			Mobile Fuel	TJ	0.67	0.65	0.67		
			Purchased Electricity	TJ	564.26	588.07	619.89		
			Purchased Heat	TJ	0.00	0.00	0.00		
			Subtotal	TJ	669.73	690.22	729.61		
		Jeonju Plant	Gas Fuel	TJ	80.52	90.50	73.91		
			Liquid Fuel	TJ	0.05	0.03	0.02		
			Mobile Fuel	TJ	0.48	0.54	0.37		
			Purchased Electricity	TJ	647.50	728.71	817.05		
			Purchased Heat	TJ	0.00	0.00	0.00		
	Subtotal	TJ	728.55	819.78	891.35				
	<b>Total</b>				<b>TJ</b>	<b>1,398.28</b>	<b>1,510.00</b>		<b>1,620.96</b>
	Renewable Energy	Daejeon Plant		TJ	0.00	0.00	0.00		
Jeonju Plant		TJ	0.00	0.00	0.00				
<b>Total</b>		<b>TJ</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>				
<b>Total Energy Usage</b>				<b>TJ</b>	<b>1,466.10</b>	<b>1,398.28</b>	<b>1,620.96</b>		
<b>Intensity Based on Production Weight</b>				<b>TJ/ton</b>	<b>0.011</b>	<b>0.012</b>	<b>0.011</b>		
Overseas	Non renewable Energy	Tennessee Plant	Gas Fuel	TJ	58.0	56.7	48.7	B	
			Liquid Fuel	TJ	0.0	0.0	0.0		
			Mobile Fuel	TJ	0.0	0.0	0.0		
			Purchased Electricity	TJ	57.8	75.9	80.2		
			Purchased Heat	TJ	0.0	0.0	0.0		
		<b>Total</b>		<b>TJ</b>	<b>115.80</b>	<b>132.60</b>	<b>128.84</b>		
	Renewable Energy	Tennessee Plant		TJ	0.00	0.00	0.00		
		<b>Total</b>		<b>TJ</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
	<b>Total Energy Usage</b>				<b>TJ</b>	<b>116.30</b>	<b>115.80</b>		<b>128.84</b>
	<b>Intensity Based on Production Weight</b>				<b>TJ/ton</b>	<b>0.011</b>	<b>0.007</b>		<b>0.005</b>

※ Intensity = Energy used per unit (Energy consumption / Production weight)

※ Domestic: Based on NGMS (National Greenhouse Gas Management System) standards

※ Overseas: Calculated using the national-specific calorific values by fuel type (as per the Enforcement Rules of the Energy Act)

### ■ Energy Usage Performance Against Targets

Category			Absolute Amount (TJ)	Intensity (TJ/ton)	Data Scope
Usage Performance Against 2024 Target	Domestic	Target Usage	1,818.19	0.011	A
		Actual Usage	1,620.96	0.011	
	Differences		-197.23	0.000	A

### ■ Energy Usage Reduction Rate

Category			Unit	Absolute Basis	Intensity Basis	Data Scope
Compared to 2023 Reduction Rate	Domestic	Daejeon Plant	%	5.7 ▲	5.4 ▼	A
		Jeonju Plant	%	8.7 ▲	4.2 ▼	
	Total Reduction Rate		%	7.3 ▲	4.7 ▼	A

### ■ 2030 Energy Usage Target

To achieve our [2050 Carbon Neutrality] goal, we have established [2030 Long-term Targets] with 2023 as the baseline year. We have set a target to reduce energy usage by 30% compared to the baseline year.

Category			Absolute Amount (TJ)	Intensity (TJ/ton)	Data Scope
2030 Objectives	Domestic	Daejeon Plant	483.15	0.008	A
		Jeonju Plant	573.85	0.009	
	Total Reduction Target		1057.00	0.008	A

## 4. Raw and Subsidiary Material Usage

### ■ Raw Material Usage

Category		Unit	2022	2023	2024	Data Scope	
Raw Material (Lead) Usage	Domestic	Daejeon Plant	ton	60,069.00	63,696.73	60,902.46	A
		Jeonju Plant	ton	54,526.15	64,493.84	68,189.85	
		Subtotal	ton	114,595.15	128,190.57	129,092.32	
	Overseas	Tennessee Plant	ton	8,191.02	9,882.63	7,660.57	B
	<b>Total</b>		<b>ton</b>	<b>122,786.17</b>	<b>138,073.20</b>	<b>136,752.88</b>	<b>A~B</b>

※ Data for 2022/23 has been corrected due to an error in the data collection.

### ■ Eco-friendly purchasing performance - Usage of Core recycled materials

We have defined eco-friendly purchasing as the purchase of Core raw materials produced by recycling used and discarded resources among the Core raw materials used in products and services.

Category		Unit	2022	2023	2024	Data Scope
Recycled Raw Material Usage	Core Raw Material Usage	ton	137,252.33	147,102.41	151,618.13	A~B
	Usage of Recycled Raw Materials	ton	101,331.80	110,425.72	111,009.82	
	<b>Recycled Raw Material Usage Rate</b>	<b>%</b>	<b>73.8</b>	<b>75.1</b>	<b>73.2</b>	<b>A~B</b>

※ Major raw and subsidiary materials: Lead and PP (polypropylene plastic)

※ Data for 2022/23 has been corrected due to an error in the data collection.

## 5. Waste

### ■ Amount of Waste Emissions

Category				Unit	2022	2023	2024	Data Scope	
Domestic	Daejeon Plant	Disposed Hazardous Waste	Recycle	ton	1,557.22	1,899.12	2,251.08	A	
			Incineration	ton	58.04	81.98	71.46		
			Landfilling	ton	-	-	-		
			<b>Subtotal</b>	<b>ton</b>	<b>1,615.26</b>	<b>1,981.10</b>	<b>2,322.54</b>		
		Disposed General Waste	Recycle	ton	390.34	452.09	385.46		
			Incineration	ton	-	-	-		
			Landfilling	ton	-	-	-		
			<b>Subtotal</b>	<b>ton</b>	<b>390.34</b>	<b>452.09</b>	<b>385.46</b>		
		<b>Total Waste Emissions</b>			<b>ton</b>	<b>2,005.6</b>	<b>2,433.19</b>		<b>2,708.00</b>
		<b>Recycling Rate</b>			<b>%</b>	<b>97.1</b>	<b>96.6</b>		<b>97.4</b>
	Jeonju Plant	Disposed Hazardous Waste	Recycle	ton	1,355.22	1,857.58	3,009.94		
			Incineration	ton	106.75	114.47	101.57		
			Landfilling	ton	-	-	-		
			<b>Subtotal</b>	<b>ton</b>	<b>1,461.97</b>	<b>1,972.05</b>	<b>3,111.51</b>		
		Disposed General Waste	Recycle	ton	398.64	442.76	503.58		
			Incineration	ton	-	-	-		
			Landfilling	ton	-	-	-		
			<b>Subtotal</b>	<b>ton</b>	<b>398.64</b>	<b>442.76</b>	<b>503.58</b>		
		<b>Total Waste Emissions</b>			<b>ton</b>	<b>1,860.61</b>	<b>2,414.81</b>		<b>3,618.09</b>
		<b>Recycling Rate</b>			<b>%</b>	<b>94.3</b>	<b>95.3</b>		<b>97.2</b>
	Total	Disposed Hazardous Waste	Recycle	ton	2,912.44	3,756.70	5,261.02		
			Incineration	ton	164.79	196.45	173.03		
			Landfilling	ton	-	-	-		
			<b>Subtotal</b>	<b>ton</b>	<b>3,077.23</b>	<b>3,953.15</b>	<b>5,434.05</b>		
		Disposed General Waste	Recycle	ton	788.98	894.85	889.04		
			Incineration	ton	-	-	-		
			Landfilling	ton	-	-	-		
<b>Subtotal</b>			<b>ton</b>	<b>788.98</b>	<b>894.85</b>	<b>889.04</b>			
<b>Total Waste Emissions</b>			<b>ton</b>	<b>3,866.21</b>	<b>4,848.00</b>	<b>6,323.09</b>			
<b>Intensity on Production Weight</b>			<b>ton/ton</b>	<b>0.032</b>	<b>0.037</b>	<b>0.043</b>			
<b>Recycling Rate</b>			<b>%</b>	<b>95.7</b>	<b>95.9</b>	<b>97.3</b>			

■ Waste Emission Performance Against Targets

Category			Absolute Amount (ton)	Intensity (ton/ton)	Data Scope
Emission performance Against 2024 Target	Domestic	Target Emission	4,848.00	0.030	A
		Actual Emission	6,323.09	0.043	
	Differences			1,475.09	0.013

■ Waste Emission Reduction Rate

Category			Unit	Absolute Basis	Intensity Basis	Data Scope
Compared to 2023 Reduction Rate	Domestic	Daejeon Plant	%	11.3 ▲	0.4 ▼	A
		Jeonju Plant	%	49.7 ▲	31.9 ▲	
	Total Reduction Rate			%	30.4 ▲	15.8 ▲

■ 2030 Waste Emission Reduction Targets

To achieve a reduction in waste emissions, we have established 2023 as the base year and set the [2030 Long-term Targets].

We have set a target to reduce waste emissions by 30% compared to the waste emission performance of the baseline year.

Category			Absolute Amount (Ton)	Intensity (ton/ton)	Data Scope
2030 Objectives	Domestic	Daejeon Plant	1,703.23	0.027	A
		Jeonju Plant	1,690.37	0.026	
	Total			3,393.60	0.026

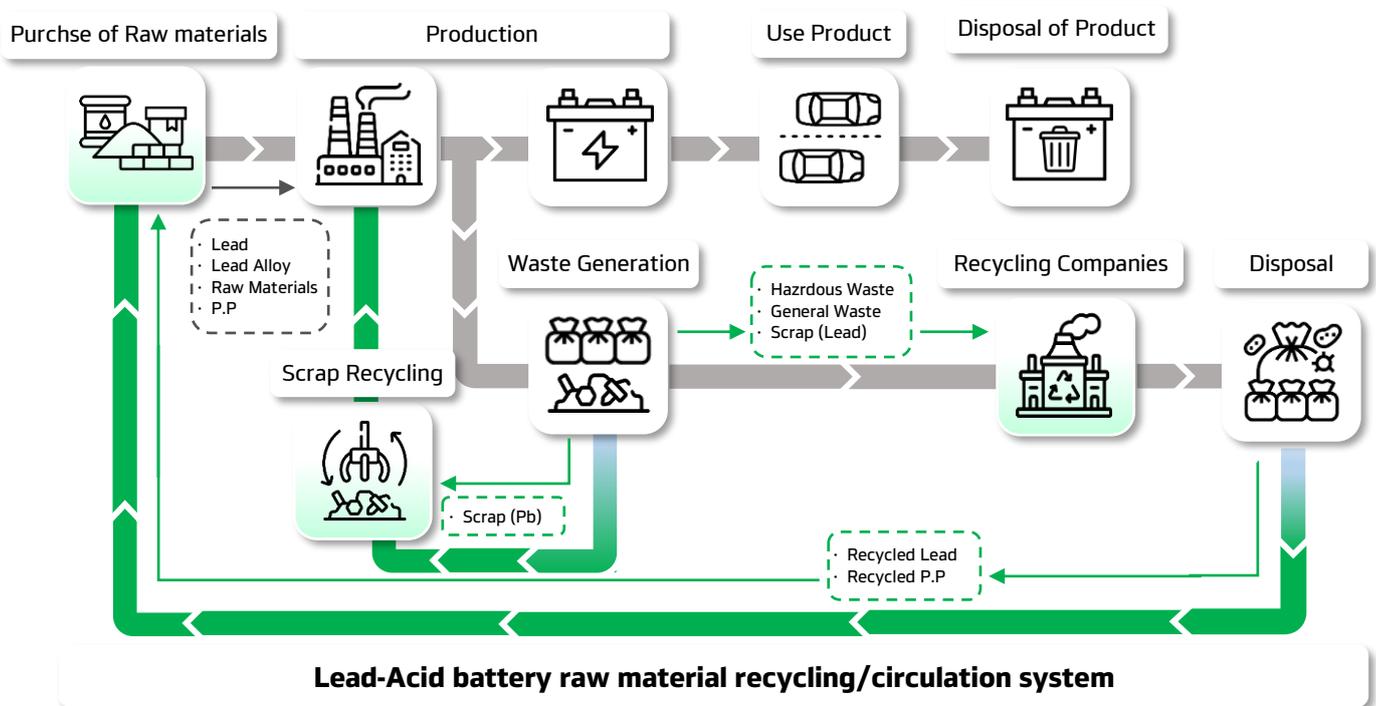
## ■ Sustainable Circular System for Raw Materials

To establish a sustainable circulation system, In addition to using recycled raw materials, we are establishing our own resource circulation system that reuses or recycles Core raw materials

Chip, which is generated during the Grid molding process of the electrode plate, is reused as a raw material through a dissolution process, and Slurry, which is generated during the process of applying mixed active materials to Grid, has also established a system that circulates waste resources generated during the process, such as using them as active materials through remixing

In addition, in the case of sulfuric acid, all sulfuric acid used in the formation process is recycled and used by itself.

We are conducting various R&D activities with the aim of establishing a sustainable resource circulation system by expanding the use of renewable raw materials of core raw materials.



## ■ Waste Resource Recycling Performance

Category		Unit	2022	2023	2024	Data Scope
Waste Resource (Pb) Circulation	Daejeon Plant	ton	54,526.15	48,829.18	52,648.76	A
	Jeonju Plant	ton	60,069.62	44,128.50	55,276.40	
	<b>Total</b>	<b>ton</b>	<b>114,595.77</b>	<b>92,957.68</b>	<b>107,925.15</b>	A

## 6. Water Usage

### ■ Water Intake

Category			Unit	2022	2023	2024	Data Scope
Domestic	Daejeon Plant	Industrial Water	ton	196,112.0	203,849.0	229,157.0	A
		Municipal Water	ton	45,086.0	44,665.0	47,524.9	
		Ground water	ton	0.0	0.0	0.0	
		<b>Subtotal</b>	<b>ton</b>	<b>241,198.0</b>	<b>248,514.0</b>	<b>276,681.9</b>	
	Jeonju Plant	Industrial Water	ton	233,115.0	266,412.0	278,380.0	
		Municipal Water	ton	34,376.0	39,631.0	36,010.0	
		Ground water	ton	0.0	0.0	0.0	
		<b>Subtotal</b>	<b>ton</b>	<b>267,491.0</b>	<b>306,043.0</b>	<b>314,390.0</b>	
	Domestic Plant	Industrial Water	ton	429,227.0	470,261.0	507,537.0	
		Municipal Water	ton	79,462.0	84,296.0	83,534.9	
		Ground water	ton	0.0	0.0	0.0	
		<b>Total</b>	<b>ton</b>	<b>508,689.0</b>	<b>554,557.0</b>	<b>591,071.9</b>	
Overseas	Tennessee Plant	Municipal Water	ton	27,189.0	34,104.0	41,314.0	B
		Ground water	ton	-	-	-	
	<b>Total</b>	<b>ton</b>	<b>27,189.0</b>	<b>34,104.0</b>	<b>41,314.0</b>		
<b>총 Total</b>			<b>ton</b>	<b>535,878.0</b>	<b>588,661.0</b>	<b>632,385.9</b>	A~B

### ■ Intensity on Water Intake

Category			Unit	2022	2023	2024	Data Scope
Production Weight Baseline Intensity	Domestic	Daejeon Plant	ton/ton	3.90	3.92	3.90	A
		Jeonju Plant	ton/ton	4.67	4.63	4.20	
		<b>Domestic Intensity</b>	<b>ton/ton</b>	<b>4.27</b>	<b>4.28</b>	<b>4.05</b>	
	Overseas	Tennessee Plant	ton/ton	1.73	1.55	1.49	B
		<b>Overseas Intensity</b>	<b>ton/ton</b>	<b>1.73</b>	<b>1.55</b>	<b>1.49</b>	
	<b>Total Intensity</b>			<b>ton/ton</b>	<b>3.98</b>	<b>3.88</b>	<b>3.64</b>

### ■ Water Intake Performance Against Targets

Category			Absolute Amount (ton)	Intensity (ton/ton)	Data Scope
Compared to 2023 Reduction Rate	Domestic	Target Usage	677,095.2	4.23	A
		Actual Usage	591,017.9	4.05	
	<b>Differences</b>			<b>-86,023.3</b>	<b>-0.18</b>

■ Water Intake Reduction Rate

Category		Unit	Absolute Basis	Intensity Basis	Data Scope
Compared to 2023 Reduction Rate	Domestic	Daejeon Plant	% 11.3 ▲	0.3 ▼	A
		Jeonju Plant	% 2.7 ▲	9.5 ▼	
	Total Reduction Rate		% 6.6 ▲	5.4 ▼	A

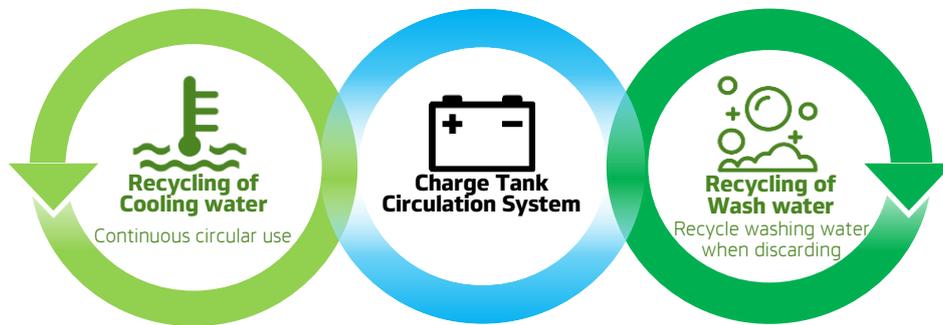
■ Wastewater Discharge Volume

Category		Unit	2022	2023	2024	Data Scope
Wastewater Treatment Discharge Volume	Domestic	Daejeon Plant	ton 172,380.0	161,972.0	159,422.0	A
		Jeonju Plant	ton 72,399.0	104,308.0	116,882.0	
	Total		ton 244,779.0	266,280.0	276,304.0	

■ Water Recycling Process

In the formation process of lead-acid batteries, where external power is supplied for charging, cooling is achieved by utilizing water from the charging tank to reduce the heat generated.

The water used in the charging tank is recycled, and wastewater is also reused as wash water before being treated and discharged according to the wastewater treatment procedures.



■ Water Recycling Performance

Category		Unit	2022	2023	2024	Data Scope
Water Recycled	Daejeon Plant	ton	29,744.0	30,698.0	32,126.00	A
	Jeonju Plant	ton	-	-	-	
	Total		ton	29,744.0	30,680.0	
Water Recycle Rate	Daejeon Plant	%	12.3	12.4	12.3	A
	Jeonju Plant	%	-	-	-	
	Total		%	5.8	5.5	

※ Water recycling rate = Water recycled / Water intake

※ The Jeonju Plant utilizes its own wastewater treatment system to reuse water from the formation and cleaning processes. However, due to the absence of a separate flow meter, comprehensive measurement is not possible.

## 7. Environmental Pollution

### 7.1 Air Pollution

#### ■ Air Pollution Management Process

To minimize air pollution caused by the operation of our production facilities, we have established our own Air Quality Management Guidelines (KB-52d-07) to manage air pollutants. We have set stricter standards than the legal limits for air pollutants and odors. To manage potential air pollutants and odors generated at each process, we have installed and operate various types of dust collection equipment for each process. Additionally, an external company conducts self-measurements of pollution levels twice a month to manage pollution and odors effectively.

#### ■ Air Pollutant Management Standards

Item		Legal Allowable Standards		Internal Management standards	
		Dust: Melting Furnace Nitrogen Oxides: Boilers	Other Emission Facilities	Dust: Melting Furnace Nitrogen Oxides: Boilers	Other Emission Facilities
Dust	Facilities before January 31, 2007	25mg/Sm <sup>3</sup>	30mg/Sm <sup>3</sup>	20mg/Sm <sup>3</sup>	24mg/Sm <sup>3</sup>
	Facilities after February 1, 2007	15mg/Sm <sup>3</sup>	30mg/Sm <sup>3</sup>	12mg/Sm <sup>3</sup>	24mg/Sm <sup>3</sup>
	Facilities after January 1, 2015	10mg/Sm <sup>3</sup>	30mg/Sm <sup>3</sup>	8mg/Sm <sup>3</sup>	24mg/Sm <sup>3</sup>
Nitrogen Oxides	Facilities before December 31, 2014	60 ppm	150 ppm	48 ppm	120 ppm
	Facilities after January 1, 2015	40 ppm	150 ppm	32 ppm	120 ppm
Lead (Pb)		1.5mg/Sm <sup>3</sup>	0.8mg/Sm <sup>3</sup>	1.2mg/Sm <sup>3</sup>	0.64mg/Sm <sup>3</sup>
Copper (Cu)		4mg/Sm <sup>3</sup>		3.2mg/Sm <sup>3</sup>	
Cadmium (Cd)		0.2mg/Sm <sup>3</sup>		0.16mg/Sm <sup>3</sup>	
Arsenic (As)		0.5 ppm		0.4 ppm	
Sulfur Oxide (SOx)		200 ppm		160 ppm	
Hydrogen Sulfide (H <sub>2</sub> S)		6 ppm		4.8 ppm	
Benzene		6 ppm		4.8 ppm	
Hydrogen Chloride (HCl)		4 ppm		3.2 ppm	
Formaldehyde		8 ppm		6.4 ppm	

※ Air pollutants are managed and implemented at 80% of the legal allowable standards.

■ Status of Air Pollutant Management Facilities

Item	Type	Daejeon Plant	Jeonju Plant
Air Pollutant Management Facility Operation Status	Wet scrubber dust collector	16	14
	Filter dust collector	40	33
	Centrifugal dust collector	1	-
	Adsorption dust collector	2	-
	<b>Total</b>	<b>59</b>	<b>47</b>

■ Emission Levels of Air Pollutants

Category		Unit	2022	2023	2024	Data Scope
Nitrogen oxides (NOx)	Daejeon Plant	ton	3.080	0.639	1.380	A
	Jeonju Plant	ton	2.729	5.023	8.739	
	<b>Subtotal</b>	<b>ton</b>	<b>5.809</b>	<b>5.662</b>	<b>10.119</b>	
Sulfur oxides (SOx)	Daejeon Plant	ton	1.972	1.020	0.250	A
	Jeonju Plant	ton	1.230	7.925	9.057	
	<b>Subtotal</b>	<b>ton</b>	<b>3.202</b>	<b>8.945</b>	<b>9.307</b>	
Others (dust)	Daejeon Plant	ton	6.161	10.207	7.643	A
	Jeonju Plant	ton	8.284	3.991	5.389	
	<b>Subtotal</b>	<b>ton</b>	<b>14.445</b>	<b>14.198</b>	<b>13.032</b>	
<b>Total Emissions of Air Pollutants</b>		<b>ton</b>	<b>23.456</b>	<b>28.805</b>	<b>32.458</b>	A

## 7.2 Water Pollution

### ■ Water Pollution Management Process

We are committed to managing and improving the facilities for discharging various types of wastewater and preventing water pollution, which could be impacted by the operation of our production facilities.

We have established water quality management guidelines (KB-52d-08) that apply stricter standards than the legal requirements.

Additionally, we operate on-site wastewater treatment facilities at each of our sites.

We measure water pollutants internally once a month and conduct annual measurements for specific harmful substances.

We continuously monitor water pollutants to ensure ongoing water quality protection.

### ■ Water Pollutant Management Standards

Item	Legal Allowable Standards		Internal Management Standards	
	Daejeon Plant	Jeonju Plant	Daejeon Plant	Jeonju Plant
TOC	75mg/ℓ	170mg/ℓ	37.5mg/ℓ	85mg/ℓ
SS	120mg/ℓ	400mg/ℓ	60mg/ℓ	200mg/ℓ
Pb	0.5mg/ℓ	0.5mg/ℓ	0.25mg/ℓ	0.25mg/ℓ
N-H (Mineral Type)	5mg/ℓ	5mg/ℓ	2.5mg/ℓ	2.5mg/ℓ
N-H (Animal and Plant Type)	30mg/ℓ	30mg/ℓ	15mg/ℓ	15mg/ℓ
pH	5.8 ~ 8.6	5.8 ~ 8.6	5.8 ~ 8.6	5.8 ~ 8.6

※ Water pollutants are managed and implemented at 50% of the legal allowable standards.

### ■ Emission Levels of Water Pollutants

Category		Unit	2022	2023	2024	Data Scope
Total Organic Carbon (TOC)	Daejeon Plant	ton	0.706	0.664	0.608	A
	Jeonju Plant	ton	0.195	0.237	0.257	
	<b>Subtotal</b>	<b>ton</b>	<b>0.901</b>	<b>0.901</b>	<b>0.865</b>	
Biochemical Oxygen Demand (BOD)	Daejeon Plant	ton	0.355	0.369	0.524	A
	Jeonju Plant	ton	0.000	0.247	0.269	
	<b>Subtotal</b>	<b>ton</b>	<b>0.355</b>	<b>0.616</b>	<b>0.793</b>	
Suspended Solids (SS)	Daejeon Plant	ton	0.605	0.895	0.185	A
	Jeonju Plant	ton	0.964	0.593	0.986	
	<b>Subtotal</b>	<b>ton</b>	<b>1.569</b>	<b>1.488</b>	<b>1.171</b>	
<b>Total Emissions of Water Pollutants</b>		<b>ton</b>	<b>2.825</b>	<b>3.005</b>	<b>2.829</b>	A

※ Jeonju Plant's 2023 data has been corrected due to data collection error.

### 7.3 Chemical Substances

#### ■ Chemical Substances Management Process

Our business involves producing products using hazardous chemicals such as lead (Pb) and sulfuric acid as key raw materials. To manage the chemicals used in our production facilities, we have established a Chemical Management Procedure (KB-52d-05).

This procedure outlines the various processes and methods related to the manufacturing, handling, use, and storage of chemicals to ensure their safe use and management from various hazards.

Additionally, in accordance with Article 33 of the Chemical Substances Control Act, we conduct regular training on hazardous chemicals for all personnel involved at our facilities, organized by the Chemical Safety Association. This training is held every two years.

#### ■ Emissions of Chemical Substances

Category			Unit	2022	2023	2024	Data Scope
Chemical Substances Emissions	Domestic	Daejeon Plant	ton	0.209	0.109	0.198	A
		Jeonju Plant	ton	0.141	0.092	0.144	
		<b>Total</b>	<b>ton</b>	<b>0.350</b>	<b>0.200</b>	<b>0.342</b>	

#### ■ Usage of Hazardous Chemicals

Category			Unit	2022	2023	2024	Data Scope	
Usage of Hazardous Chemicals	Domestic	Lead	Daejeon Plant	ton	60,069.00	62,710.98	60,902.46	A
			Jeonju Plant	ton	54,526.15	58,338.59	68,189.85	
		<b>Subtotal</b>	<b>ton</b>	<b>114,595.15</b>	<b>121,049.56</b>	<b>129,092.32</b>		
	Domestic	Sulfuric Acid	Daejeon Plant	ton	17,124.44	17,765.44	19,419.69	A
			Jeonju Plant	ton	12,914.77	13,096.21	14,204.93	
		<b>Subtotal</b>	<b>ton</b>	<b>30,039.21</b>	<b>30,861.65</b>	<b>33,624.62</b>		
	Overseas	Lead	Tennessee Plant	Ton	8,191.02	9,882.63	7,660.57	B
		Sulfuric Acid	Tennessee Plant	ton	2,468.87	2,2928.53	3,347.85	
	<b>Total</b>	<b>Lead</b>		<b>ton</b>	<b>122,786.17</b>	<b>130,932.19</b>	<b>136,752.88</b>	A~B
		<b>Sulfuric Acid</b>		<b>ton</b>	<b>32,508.08</b>	<b>33,790.18</b>	<b>36,972.47</b>	
<b>Total Usage of Hazardous Chemicals</b>			<b>ton</b>	<b>155,294.25</b>	<b>164,722.37</b>	<b>173,725.36</b>		

■ Hazardous Chemical Handling Training Performance

Category			Unit	2022	2023	2024	Data Scope
Hazardous Chemical Substances Handling Personnel Training	Daejeon Plant	Number of people Targeted	Persons	221	49	219	A
		Number of peopleCompleted	Persons	221	49	215	
		<b>Completion Rate</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>98</b>	
	Jeonju Plant	Number of people Targeted	Persons	225	101	240	A
		Number of peopleCompleted	Persons	225	101	234	
		<b>Completion Rate</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>98</b>	
	Total	Number of people Targeted	Persons	446	150	459	A
		Number of peopleCompleted	Persons	446	150	449	
		<b>Completion Rate</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>98</b>	

※ Reasons for non-completion compared to 2024 plan ( An overseas dispatch : 3 , Disease : 7 )

■ Hazardous Chemical Substance Worker Training Performance

Category			Unit	2022	2023	2024	Data Scope
Daejeon Plant	Number of people Targeted	Productuon Workers	Persons	357	363	360	A
		Administrative and Technical Staff	Persons	69	67	68	
		Partners and Suppliers	Persons	56	58	60	
		Subtotal	Persons	482	488	488	
	Number of peopleCompleted		Persons	482	488	488	
	<b>Completion Rate</b>		<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>	
Jeonju Plant	Number of people Targeted	Productuon Workers	Persons	349	349	357	A
		Administrative and Technical Staff	Persons	49	51	61	
		Partners and Suppliers	Persons	32	34	44	
		Subtotal	Persons	430	434	462	
	Number of peopleCompleted		Persons	430	434	462	
	<b>Completion Rate</b>		<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>	
Total	Number of people Targeted	Productuon Workers	Persons	706	712	717	A
		Administrative and Technical Staff	Persons	118	118	129	
		Partners and Suppliers	Persons	88	92	104	
		Subtotal	Persons	912	922	950	
	Number of peopleCompleted		Persons	912	922	950	
	<b>Completion Rate</b>		<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>	

※ 2022/23 data has been corrected due to omission of training results for production workers

## Social

### 1. Human Rights and Diversity

Hankook & Company aims to lead the global battery and mobility industry through proactive culture by recruiting and retaining talent.

To foster the development of specialized professionals and enhance their capabilities across various fields, we provide tailored educational programs for everyone from new hires to executives.

Additionally, we offer a range of welfare programs to maintain work-life balance and manage performance

In particular, in order to create a flexible and family-friendly working environment, we operate family-friendly systems such as family care leave and support for infertility treatment corresponding to legal obligations, and operate daycare centers in major businesses such as headquarters (Technoplex) and research institutes (Technodome).

To facilitate smooth labor-management communication, we operate labor-management councils and provide various communication channels for handling grievances, including ethics management reporting. We actively address labor issues at each workplace.

In 2024 Conducted human rights impact assessment to derive specific risk factors that could affect human rights.plan to listen to the voices of our employees to carry out activities that can prevent, stop and mitigate human rights-related risks throughout our management activities.

We are also working on improving risk management levels related to human rights impact through ongoing operations of the ESG Society Committee and continuous human rights impact assessments.

## **Hankook & Company Human rights management declaration**

Hankook & Company endorses and respects the protection of internationally proclaimed human rights, and fully endeavors to avoid any involvement in the human rights violations.

### **Human Rights Management Declaration of Hankook & Company**

1. Hankook & Company is fully aware that human rights, a universal value for humankind, are important, and that we can realize such value in our business activities. Based on this, we will continue to respect and protect the human rights of all workers, including irregular workers, temporary workers, and foreign workers, and, by extension, all stakeholders, Customer and Local Community who come into contact with us through our products, services, and business activities.
2. To realize this responsibility to respect human rights, Hankook & Company will continue to endorse and abide by the principle under the Universal Declaration of Human Rights, the UN Global Compact, and the International Labor Organization's Fundamental Principles and Rights at Work.
3. In addition, Hankook & Company endorses the UN Guiding Principles on Business and Human Rights of the UN Human Rights Council, and to abide by the Principles, it will operate a human rights management system, encompassing the diagnosis, improvement activities and monitoring, internal and external communications, grievance settlement, and relief procedures.
4. As a company that is oriented towards fulfilling its social responsibilities and pursuing the happiness of all workers and stakeholders, Hankook & Company will comply with the laws of each country under any circumstances, and respect and protect human rights to contribute towards the sound development of society.

## **Hankook & Company Human rights principle**

### **Respect for human rights**

Hankook & Company shall endorse and respects the protection of internationally proclaimed human rights, and fully endeavors to avoid any involvement in the human rights violations.

### **Prohibition of Forced Labor**

Hankook & Company shall not use or get involved in any kind of forced labor through physical and mental suppression of freedom of any person, including bonded labor, slavery and human trafficking.

### **Prohibition of Child Labor**

Hankook & Company shall comply with the minimum employment age regulations of each country where it operates and not designate tasks with safety and health hazards to individuals under the age of 18.

### **Prohibition of Discrimination**

Hankook & Company shall not discriminate in hiring, compensation, or promotion on the basis of race, age, gender, nationality, disability, religion, pregnancy, unionization, marital status, social status, or sexual orientation.

### **Guarantee of Freedom of Association**

Hankook & Company shall offer opportunities for communication between the company and its workers, guarantee the freedom of association, and not retaliate for unionization activities of its workers.

### **Decent Wage Payment and Stabilization of Livelihood**

Hankook & Company shall contribute to the stabilization of the livelihood of its workers by complying with the minimum wage, overtime, social insurance and employee rest and leave regulations of each country where it operates, and supporting decent living wages.

### **Health and Safety**

Hankook & Company shall establish a safe, clean work environment for all workers and protect its workers against various harmful substances

## 1.1 Talent Recruitment and Development

### ■ Employee Recruitment Process

We maintain a transparent and fair treatment process to attract top talent.

Our recruitment process does not include unnecessary items from an ESG perspective, such as race, religion, or gender identity.

We conduct recruitment for each affiliate, including personality and aptitude test to predict character and job competency.

Upon hiring, we conduct health check-ups to care for any potential health issues of employees.

We also provide a systematic curriculum that includes professional leadership training for new hires.

### ■ Employee Education System

Hankook & Company supports employee's active and passionate development by offering not only mandatory legal education but also job-related external training to enhance expertise.

We operate various educational systems, including a portal site called "Proactive Academy," which offers a range of courses in areas like foreign languages and humanities to broaden insights.

### ■ Employee Training Program and Training Performance

Item	Category	Unit	2022	2023	2024
Job Competency Training	Total number of trainees	Persons	2,633	3,435	3,961
	Total training hours	hours	8,491	15,287	17,973
	Total training costs	10,000 KRW	21,172	22,308	22,553
	Average training cost per person	10,000 KRW	8	6	6
	Average training hours per person	hours	3	4	5

※ All employees excluding production workers  
(job competency development training for production workers is conducted as needed)

## ■ Employee Performance Evaluation Process

Hankook & Company operates performance management by establishing individual goals linked to the overall company strategy.

Continuous feedback between evaluators and those being evaluated on the established individual goals.

Conducting multi-faceted evaluations involving colleagues of the evaluator to supplement the one-sided evaluation method.

Providing feedback on colleagues' work methods to encourage the growth and change of employees.

Conducting final evaluations of annual goal achievement through year-end assessments.

The compensation system is operated according to the principles of a performance-based personnel system.

Adjusting compensation levels differently based on individual evaluation results to aim for reasonable compensation according to performance.

Transparently operating the system through the disclosure of salary adjustment structures by evaluation grade to ensure internal fairness.

## ■ Employee Performance Evaluation Results

Item	Category	Unit	2022	2023	2024
Performance Evaluation Results per Category	Manager	%	17	19	19
	Non-manager	%	83	81	81
	<b>Total</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>
	Male	%	84	81	78
	Female	%	16	19	22
	<b>Total</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>

※ Data Scope: Performance evaluation results of eligible employees (administrative and technical staff), production work, contract employees, and those not subject to evaluation are excluded (employees who joined after April or have been on leave for more than three months)

## 1.2 Organizational Culture and Employee Welfare

### ■ Support for a Successful Organizational Culture for Employees

Hankook & Company respects the rights and welfare of its employees and strives to create a work environment that embraces diversity.

Through initiatives such as parental leave and flexible working systems, the company fosters a family-friendly work environment that promotes work-life balance and cultivates a healthy organizational culture.

### ■ Systems for Creating a Flexible and Family-friendly Work Environment

Item	Category	Unit	2022	2023	2024
Number of Users of Flexible Working System	Staggered working hour system	Persons	11	21	29
	Discretionary working hour system	Persons	11	25	36
Total			22	46	65

### ■ Parental Leave System

Item	Category	Unit	2022	2023	2024
Number of Employees on Parental Leave	Male	Persons	1	1	5
	Female	Persons	8	5	7
Total			9	6	12

### ■ Employee Welfare Program

#### - Employee Counseling Center Operation

To understand the diverse psychological needs of employees, a professional counselor is stationed at the Technodome to run a dedicated psychological counseling center.

Various healing programs, including communication techniques with children and meditation experiences, are also offered.

#### - Support for Employee Housing

For employees facing difficulties in securing housing, we are offering low-interest loans on the cost of purchasing a home.

#### - Support for Employee Health Checkups

To ensure the health of employees at Hankook & Company, contracts are made with hospitals equipped with appropriate medical facilities.

Employees are encouraged to visit the contracted medical facilities annually to monitor their health.

### 1.3 Human Rights Management

#### ■ Long-term Human Rights Management Goals

Hankook & Company respects the human rights of all stakeholders and will fulfill its commitment to human rights through the following specific goals.

##### [Long-term roadmap]



#### ■ Employee Grievance Handling Process

Hankook & Company prohibits any actions that may infringe on employee's human rights. In case of human rights violations, an ethical management reporting channel is available for consultation and reporting.

Reports can be made anonymously or under one's real name and can include issues such as sexual harassment, bullying, or other matters affecting organizational culture beyond just corruption or fraud. A dedicated team operates to ensure swift resolution of reported issues.

The company promptly and carefully investigates reported grievances and takes appropriate actions, such as relocating affected employees.

Personal information obtained during the investigation is handled with strict security. Additionally, a whistleblower protection policy is in place, and the results of investigations are communicated to the concerned parties.

##### [Types of Reports and Inquiries]

Compliance	Legal violations or suspicions
	Supply chain issues
Safety Management	Safety/Fire/Environmental issues
	Workplace safety issues
Organizational Culture	Unjust work instructions
	Undermining organizational culture
Integrity Management	Misconduct (e.g., bribery)
	Decreased work engagement
	Information security violations

## ■ Human Rights Impact Assessment Results

Hankook & Company conducts human rights impact assessments once a year, and from 2024, the assessment target has been expanded to global business sites, targeting all domestic and international employees.

The results of the assessment are used as crucial data for improving the company's human rights policies and programs

Through the human rights impact assessment, we preemptively identify human rights-related risks that negatively affect not only employees but also all stakeholders, and conduct activities to improve identified risks to manage human rights-related risks and protect human rights.

Item	Positive Responses (Well-managed, etc.)	Negative Responses (Insufficient, etc.)
Protection of Industrial Safety Rights	95%	5%
Environmental Rights Protection	92%	8%
Establishment of Human Rights Management System	74%	26%
Equal Opportunities and Non-discrimination	86%	14%
Prohibition of Forced Labor	91%	19%
Prohibition of Child Labor	94%	6%
Protection of Personal Safety Rights	86%	14%
Responsible Supply Chain Management	55%	45%
Protection of Local Residents' Human Rights	70%	30%

## ■ Union-related

Hankook & Company recognizes workers and labor unions as important partners, and practices a cooperative organizational culture and collaborative labor-management relations based on mutual trust.

Employees are free to join and participate in labor unions, and collective bargaining that benefits both labor and management is conducted annually.

## ■ Periodic Communication Channels Between Labor and Management

Item	Category	Unit	2022	2023	2024
Labor-Management Council Meetings	Jeonju Plant	Number	2	2	2
	Daejeon Plant	Number	2	2	2
	<b>Total</b>		<b>4</b>	<b>4</b>	<b>4</b>

■ Hankook & Company Employee Status (Domestic and International)

Item	Category	Unit	2022	2023	2024
Employment Type	Executives	Persons	17	14	20
	Regular Employees	Persons	1,348	1,428	1,339
	Non-regular Employees	Persons	17	36	65
	<b>Total</b>	<b>Persons</b>	<b>1,381</b>	<b>1,477</b>	<b>1,424</b>
Age Distribution	20s	%	18	17	17
	30s to Under 50	%	64	65	65
	50s and Older	%	19	18	17
	<b>Total</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>
Gender Distribution	Male	%	88	87	87
	Female	%	12	13	13
	<b>Total</b>	<b>%</b>	<b>100</b>	<b>100</b>	<b>100</b>
Nationality	Republic of Korea	Persons	1,130	1,143	1211
	Foreign	Persons	251	334	213
	<b>Total</b>	<b>Persons</b>	<b>1,381</b>	<b>1,477</b>	<b>1,424</b>

※ Data Scope: Data includes all employees at domestic and overseas branches.

※ 2023 employee status data corrected due to reporting errors.

■ Employee Status by Position

Category		Unit	2022	2023	2024	
Position	Executives	Male	Persons	14	12	17
		Female	Persons	2	1	2
		<b>Subtotal</b>	<b>Persons</b>	<b>16</b>	<b>13</b>	<b>19</b>
	Managers	Male	Persons	47	54	55
		Female	Persons	1	1	3
		<b>Subtotal</b>	<b>Persons</b>	<b>48</b>	<b>55</b>	<b>58</b>
	Mid-level Managers	Male	Persons	133	128	133
		Female	Persons	21	23	34
		<b>Subtotal</b>	<b>Persons</b>	<b>154</b>	<b>151</b>	<b>167</b>
	Staff	Male	Persons	97	92	102
		Female	Persons	59	50	62
		<b>Subtotal</b>	<b>Persons</b>	<b>146</b>	<b>142</b>	<b>164</b>
	<b>Total</b>		<b>Persons</b>	<b>Persons</b>	<b>364</b>	<b>361</b>

※ Data Scope: Data includes office and technical staff at domestic business locations.

※ Managers: Those who hold positions such as department head (factory manager, team leader, project leader, etc.)

※ Mid-level Managers: Those who do not hold an official title but have equivalent capabilities.(P3 grade or higher)

※ 2023 employee status data corrected due to reporting errors.

## ■ Female Manager Status

Item	Category	Unit	2022	2023	2024
Female Talent	Executives	%	13	8	8
	Managers	%	2	2	5
	Mid-level Managers	%	16	18	19
	<b>Total Ratio</b>	<b>%</b>	<b>12</b>	<b>13</b>	<b>13</b>

※ Data Scope: Data includes office and technical staff at domestic business locations.

※ Managers: Those who hold positions such as department head (factory manager, team leader, project leader, etc.)

※ Mid-level Managers: Those who do not hold an official title but have equivalent capabilities.(P3 grade or higher)

## ■ Workforce Diversity

Item	Category	Unit	2022	2023	2024
Workforce Diversity	Veterans	Persons	7	7	6
	Employees with Disabilities	Persons	13	13	18
	<b>Total</b>	<b>Persons</b>	<b>20</b>	<b>20</b>	<b>24</b>

※ Data Scope: Data includes office and technical staff at domestic business locations.

## ■ Voluntary Turnover Rate

Item	Category	Unit	2022	2023	2024
Number of departed employees	Total Departures	Persons	70	55	31
	<b>Voluntary Turnover</b>	<b>Persons</b>	<b>64</b>	<b>51</b>	<b>30</b>
	Others	Persons	6	4	1
	<b>Voluntary Turnover Rate</b>	<b>%</b>	<b>91.4</b>	<b>92.7</b>	<b>96.8</b>

※ Data Scope: Data includes office and technical staff at domestic business locations.

## 2. Safety/Health

Hankook & Company is committed to protecting the safety and working environment rights of all employees and partners by proactively preventing potential safety risks.

The company continuously strives to establish and maintain the highest standards of safety and health systems, going beyond compliance with safety and health regulations and requirements.

### **Safety and Health Management Policy of Hankook & Company**

Hankook & Company's safety and health management policy aims to minimize safety and health risks by preventing work-related injuries and health problems for workers, providing safe and healthy workplaces to eliminate risk factors and implementing effective prevention and protection measures to minimize safety and health risks.

To achieve it, all employees make the following resolutions and actions.

We recognize the highest safety and health management level as a priority in management strategy and continuously develop preventive measures for all injuries and occupational diseases.

We comply with safety and health laws and other requirements, evaluate the impact on safety and health, set safety and health goals, and review and improve them periodically.

To ensure the safety and health of all workers, we eliminate risk factors, reduce safety and health risks, and take the lead in continuous improvement activities and education/training of the safety and health management system.

We establish a communication system with workers, workers' representatives, and all stakeholders to provide information, discuss, and participate actively in safety and health management activities. Hankook & Company's safety/health policy applies to its employees and all workers, including contractors and outside suppliers.

All employees will understand this safety and health management policy and fulfill their responsibilities in establishing a safety and health management system.

## Major Safety/Health Management Certifications

### ISO 45001

#### (Occupational Health and Safety Management System)

Hankook & Company has established risk mitigation measures for safety and health to identify, assess, and manage socially significant risks

associated with corporate activities.

We have obtained ISO 45001 certification for our domestic production facilities in Daejeon and Jeonju Plants, which represents 100% of our ISO 45001 target facilities (domestic production sites). (Certification valid until September 11, 2025)



#### ■ Employee Safety Management Procedures

Hankook & Company is committed to respecting employees' rights and enhancing their health and creating a pleasant working environment.

In accordance with the Industrial Safety and Health Act, we prioritize safety and health tasks. We have established safety and health management regulations, set up dedicated teams, conducted employee training, and focused on safety inspections and patrols to promote employee safety, health, and maintenance.

## ■ 2030 Comprehensive Injury Rate Target

For the management of safety at production sites, we have set the [2030 Long-term Targets] for the comprehensive injury index based on performance over the past three years ('20-22) :

Our goal is a 30% reduction from the base performance.

Item	Category	Base	Reduction Target
Comprehensive Injury Index Reduction Target	Daejeon Plant	2.99	2.09
	Jeonju Plant	3.33	2.33
	<b>Domestic Target</b>	<b>3.24</b>	<b>2.26</b>

## ■ Industrial Accident Indicators

Item	Category	2022	2023	2024
Industrial Accident Rate	Daejeon Plant	1.25	0.46	1.40
	Jeonju Plant	1.25	1.35	1.36
	<b>Total Accident Rate</b>	<b>1.25</b>	<b>0.91</b>	<b>1.38</b>
Frequency Rate	Daejeon Plant	6.47	2.33	7.13
	Jeonju Plant	6.17	5.97	6.07
	<b>Total Frequency Rate</b>	<b>6.31</b>	<b>4.29</b>	<b>6.56</b>
Severity Rate (Frequency Rate)	Daejeon Plant	0.84	0.22	0.80
	Jeonju Plant	0.41	0.53	0.63
	<b>Total Severity Rate</b>	<b>0.62</b>	<b>0.39</b>	<b>0.71</b>
Comprehensive Injury Index	Daejeon Plant	2.33	0.72	2.39
	Jeonju Plant	1.59	1.77	1.96
	<b>Total Accident Index</b>	<b>1.98</b>	<b>1.29</b>	<b>2.15</b>

※ Industrial Accident Rate: The ratio of the number of accidents per 100 employees

Frequency Rate (FR): The number of accidents per 1 million working hours

Severity Rate (SR): The number of lost workdays per 1,000 working hours

Comprehensive Injury Index (FSI: Frequency Severity Indicator):

A combined measure of the frequency and severity of injuries to compare risk levels

※ Data for 2022 has been corrected due to an error in the data collection.

We also verify key indicators and certifications related to industrial accidents such as industrial accident rate certificates, when selecting partners and issuing construction contracts.

## ■ Work Environment Management Procedures

Each year, we assess exposure levels through regular work environment measurements conducted by external organizations with union participation. This helps us create a comfortable work environment by evaluating and improving exposure levels.

We measure harmful factors such as lead and sulfuric acid that affect the workplace and received the result of the 2024 physical and chemical hazard exposure standard 'no excess'.

Item		Category	2022	2023	2024
Daejeon Plant	First half	Measurement Sites	227	233	223
		Exceedance Sites	0	0	0
	Second Half	Measurement Sites	237	235	237
		Exceedance Sites	0	0	0
	Subtotal	Measurement Sites	464	468	460
		Exceedance Sites	0	0	0
Jeonju Plant	First half	Measurement Sites	279	356	372
		Exceedance Sites	0	0	0
	Second Half	Measurement Sites	286	353	377
		Exceedance Sites	0	0	0
	Subtotal	Measurement Sites	565	709	749
		Exceedance Sites	0	0	0
Total		Measurement Sites	1,029	1,177	1,209
		Exceedance Sites	0	0	0
		Exceedance Rate	0%	0%	0%

## ■ Customer Safety Management Process – Quality Recall Procedures

Hankook & Company implements safety investigations for customer safety and operates a voluntary recall system in accordance with Article 13 of the Product Safety Basic Act if product abnormalities, defects, or malfunctions occur.

### 3. Supply Chain Management

Hankook & Company is committed to fulfilling corporate social responsibility by pursuing solid and sustainable growth with all stakeholders, including customers, business partners, shareholders, local communities, and employees. To foster mutual growth with our partners,

Through the '**Sustainable purchasing policy**', Hankook & Company is checking the fulfillment of environmental and social responsibilities for suppliers at all global workplaces.

In addition, we share the "**Hankook & Company Supplier Sustainability Guidelines**" and "**Hankook & Company Conflict Minerals Policy**" with our suppliers and require their compliance.

These guidelines and policies apply not only to Hankook & Company's suppliers and their employees but also to agencies, agents, and subcontractors who have contractual relationships with Hankook & Company, as well as all lower-tier suppliers not directly contracted with Hankook & Company.

Suppliers must familiarize themselves with these sustainability guidelines before entering into any business relationship, share and educate their employees about them, and commit to adhering to these guidelines.

The "**Hankook & Company Supplier Sustainability Guidelines**" and "**Hankook & Company Conflict Minerals Policy**" are available for review on the Hankook & Company website.

Hankook & Company conducts sustainability assessments for new supply chain transactions and performs regular re-evaluations and monitoring to address and respond to sustainability risks.

Additionally, to urge and support suppliers in fulfilling their social responsibilities, we distribute the Hankook Supplier Sustainability Guidance and issue sustainability letters to address the global climate crisis, among other efforts.

## ■ Sustainable Purchasing Policy'

Hankook & Company has established and is implementing a sustainable supply chain policy for its suppliers at all global business sites with the goal of zero supply chain risk.

Based on the provision of transparent information from suppliers, we are working to minimize the environmental and social impact that may occur in the procurement process of raw materials by checking whether environmental and social responsibilities are fulfilled, thereby increasing the reliability and sustainability of our supply chain.

In addition, we operate a channel to receive and process reports from suppliers and we are preparing procedures so that all stakeholders can raise problems without disadvantages.

Through '**Sustainable Purchasing Policy**', Hankook & Company wants to strengthen partnerships with suppliers and realize responsible supply chain construction together.

## ■ Supplier Sustainability Guidelines

Hankook & Company shares the "Hankook & Company Supplier Sustainability Guidelines" with suppliers and requires them to respect and comply with these guidelines.

These guidelines apply to Hankook & Company's suppliers, their employees, agencies, agents, and subcontractors with contractual relationships with Hankook & Company, and all lower-tier suppliers not directly contracted with Hankook & Company.

We assess whether suppliers adhere to these guidelines and conduct audits, including on-site visits, if necessary.

## ■ Conflict Minerals

Hankook & Company regulates conflict minerals in our policies (Selection and Management Guidelines for Raw and Subsidiary Material Suppliers, Article 14 (Conflict Minerals)).

All suppliers must avoid using minerals mined from conflict regions and provide origin certificates for verification. We conduct periodic due diligence to ensure compliance.

## ■ Supply Chain Sustainability Evaluation

Hankook & Company selects target suppliers each quarter and conducts sustainability evaluations consisting of six categories: Human Rights and Labor, Ethical Management, Safety and Health, Environmental Management, Sustainability, and Supplier Management.

## ■ Employee Training Process on Fair Trade and Fair Competition

To manage internal transactions and provide legal and company response training, we conduct annual ethics management training for all employees.

We also provide ongoing education on fair trade laws, tax laws, and fair competition through regular Ethics Letter postings and other online internal communications.

## 4. Local Communities

Hankook & Company is committed to fulfilling its social responsibility as a corporate citizen by engaging in various social contribution activities linked to its core business competencies. We aim to solve community issues and contribute to sustainable growth.

Since 2003, we have donated a cumulative total of 15.5 billion KRW by the second half of 2024 to support various causes. For example, we joined in supporting the underprivileged by donating about 900 million KRW at the end of 2024, these donations made so far have been used to support marginalized communities in Seoul (Seoul Love Foundation), Daejeon (Daejeon Love Foundation), and Chungnam (Chungnam Love Foundation).

We also continuously engage in community-support activities aimed at mutual growth. Since 2014, we have been assisting with mobility aid devices by providing batteries.

Additionally, we have contributed annual hope welfare funds since 2012 to support low-income students and marginalized neighbors, realizing our values of sharing and mutual support.

### ■ Community Engagement Activities

Unit: 1000 KRW

Item	Category	Donation Date	Amount
Emergency relief kits for disaster victims	Donation	March 2022	100,000
Social Welfare Joint Fund (Seoul/Daejeon/Chungnam)	Donation	March 2022	1,500,000
Support for domestic violence and at-risk youth	Donation	June 2022	100,000
Sponsorship for Jeju IUCN Leaders Forum	Donation	July 2022	28,000
Battery support for mobility aid devices	Battery Support	November 2023	85,000
Hope Welfare Fund donation (Jeonju)	Donation	May 2023	30,000
Research support for Digital Future Innovation Center	Research Support	May 2023	-
Battery support for mobility aid devices	Battery Support	November 2024	50,000
charity donation for the underprivileged	Donation	2024	93,000

※ KAIST Digital Future Innovation Center supports data/AI technology development.

## **Hankook & Company Social contribution charter**

Sound corporate activities are valuable social contribution activities. Hankook & Company offers a solution for the company and local community to co-prosper through social contribution activities that will allow corporate capabilities to create social values.

### **Declaration**

1. Hankook & Company shall continue to create social and environmental values through economic and corporate activities and contribute towards revitalizing the local economy.
2. Hankook & Company shall fully practice contribution activities for quality satisfaction and customer safety with customer-oriented management activities.
3. Hankook & Company shall further enhance its efforts to minimize our environmental impact throughout its business activities and fully take part in conserving the local society and environment.
4. Hankook & Company shall remain entirely dedicated towards supporting the socially underprivileged or the equivalent, such as the disadvantaged in the local community, through the active return of created values to society.
5. Based on the fundamental philosophy of respect for human beings, Hankook & Company shall be at the forefront of building a healthy society by managing the health of its employees and providing medical support to local communities.

### **Characteristics and orientation**

1. Hankook & Company's social contribution activities maximize the interconnection with its core businesses as part of its efforts to ensure that corporate capabilities result in social values.
2. Hankook & Company's social contribution activities refrain from engaging in any inconsistent and aimless activities and focus the company-wide capabilities on its leading social contribution programs.
3. Hankook & Company's social contribution activities set the orientation for practical solutions to the pending issues and problems surrounding local communities

## Governance

### 1. BOD-Centered Management

Hankook & Company believes that a sound corporate governance structure is the cornerstone of management activities for sustainable growth and has established the BOD-centered advanced governance structure to protect shareholders' rights and enhance management transparency and expertise.

We consider the interests of various shareholders and ensure a transparent decision-making process. Our commitment to implement a management philosophy centered on the BOD is specified in our Corporate Governance Charter, Articles of Association, and BOD regulations and acts as the foundation of our governance principles and policies.

Moreover, Hankook & Company's BOD continuously tries to internalize ethical management by reviewing ethical risks, providing direction for ethical decision-making, and strengthening the system for reporting unethical behavior.

To implement a transparent governance structure, we disclose information on processing standards, procedures, and results related to governance structures, such as the Corporate Governance Charters, Articles of Association and bylaws, and BOD and committees within the BOD through the Hankook & Company and the electronic disclosure system websites to help stakeholders understand how the governance structure operates.

Through the 69th regular shareholders' meeting in 2023, we appointed Min Se-jin, the first female outside director, thereby strengthening the diversity of the board of directors.

Through the 5th Board of Directors Meeting in 2024, the Sustainability Committee was established, and through this, a systematic foundation for responding to environmental regulations and strengthening the ESG management system was established.

At the 1st Sustainability Committee Meeting in 2025, the agenda for 'Establishing the Hankook & Company Group's ESG System' was established and reported..

## 2. Ethical Management

The "Hankook & Company Ethical Regulations and Implementation Guidelines," which include provisions for risks associated with unfair trading or unethical competition that may arise from the abuse of superior bargaining position in management activities, can be accessed on the Hankook & Company website.

### **Hankook&company Ethical management policy**

Hankook & Company practices ethical management, contributes towards increasing corporate value and national status as a global company, fulfills corporate social responsibilities, and pursues solid and sustainable growth with all of its stakeholders, including customers, business suppliers, local communities, and employees. Therefore, we shall set the following "Ethical Management Policy" as the standards for our value judgment and the pattern of behavior, and fully implement the policy:

1. Our goal is to become an ethical company that adheres to domestic and foreign laws and regulations, and corporate management policies, and practices the righteous management.
2. We put the customer first and supply good-quality tires, thereby assuring the best driving experience.
3. We strive to raise the value of our shareholders through rational decision-making and righteous management.
4. We provide equal and fair opportunities to our employees for self-realization and bring forth a smart workplace oriented towards innovation in every aspect of our business processes.
5. We comply with international agreements and various regulations, respect local laws and cultures, and take shape as the leading global tire company.
6. We exercise our proactive leadership skills, respect and practice ethical behaviors at the forefront.

### **Transparent, ethical management**

Hankook & Company continuously monitors ethical risks and strives to establish a robust ethical culture internally to raise awareness of ethical management.

### **Regular ethical management education**

We raise the employees' awareness of ethics through regular ethical management education. We also support customized education for each position by segmenting education content by rank, job characteristics, and region.

### **Establishment of the Code of Ethics**

We have established and disseminated the Code of Ethics that all employees must comply with and continuously update by gathering the needs of outside stakeholders such as car manufacturers and third-party evaluators. We have established more systematic regulations by updating Zero-Tolerance (action in case of violation of ethical rules), money laundering (contribution to the country and society), internal transactions (partnerships with suppliers), fair trade (responsibility to customers), charitable sponsorship (contribution to the country and society), import/export compliance (contribution to the country and society), and facilitation fees (global companies).

### **Awareness campaign**

Every year, we implement campaigns to raise ethical awareness, such as the "Not Giving or Receiving Holiday Gifts" campaign, to raise awareness about unethical behavior and practice it.

## ■ Employee Ethics Training Program

To foster ethical awareness among employees and to manage the prevention of ethical management violations, various forms of education, including data sharing and online training, are provided to all employees to emphasize the importance of ethical management.

### - Ethics Letter

Target Audience	Training Content	Training Method	Training Frequency
All Employees	IT Security, Diversity, etc.	Posted on the In-house Intranet	Once every month

### - Ethics Training

Target Audience	Training Content	Training Method	Training Frequency
Administrative Technical Staff	Anti-Corruption Fair Trade, etc	Online Training	Once a year
Production Workers	Anti-Corruption Fair Trade, etc	In-person Collective Training	Once a year

## ■ Employee Ethics Training Performance

Item	Category	Unit	2022	2023	2024
Ethics Training	Target Audience	Persons	1,072	1,069	1,076
	Completer	Persons	1,022	1,056	1,000
	Completion Rate	%	95.3	98.8	92.9

## ■ Ethics Management Reporting Program

Hankook & Company operates an ethics reporting channel ([www.hankooktire.com/kr/cyber-audit](http://www.hankooktire.com/kr/cyber-audit)) to address concerns from internal and external stakeholders.

### [Reportable Activities]

- Actions causing financial damage to the company due to unreasonable work practices.
- Abuse of position or authority, or legal violations.
- Actions gaining undue advantage in budget use or contract signing.
- Bribery, undue demands or offers.
- Violations of internal accounting controls (e.g., financial statement distortions, fraudulent activities).
- Violation of basic human rights, unfair behavior and discrimination among members, and sexual harassment
- Other violations of the company's ethical regulations and policies.

The reporting channel allows all stakeholders, including employees, affiliates, suppliers, and customers, to present opinions or file reports on ethical issues, including human rights, grievances, corruption, and unethical transactions. Reports regarding suppliers are also processed to promote ethical management among them.

## ■ Report Channel Processing Records

Item	2024		Processing Rate (%)
	Submitted Issues	Number of Cases Handled	
Ethical Management Reporting	1	1	100%

We plan to continuously identify specific risk factors related to ethical management and to implement ongoing activities to prevent, halt, and mitigate these risks.