

# Biodiversity Protection Policy

## Article 1 (Objective)

Hyundai Engineering shall not only establish the Biodiversity Protection Policy to implement Sustainability in all countries and regions where Hyundai Engineering operates its businesses, but shall also prevent negative environmental impacts that may emerge in the process of business operation and perform corporate activities based on trust from customers and the public.

## Article 2 (Policy)

Hyundai Engineering supports global initiatives for biodiversity conservation, including the Convention on Biological Diversity, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and the International Union for Conservation of Nature (IUCN) programs for protected areas. We will continue our efforts in biodiversity conservation through the formulation of biodiversity protection policies and ongoing activities to mitigate biodiversity risks.

- 1) Biodiversity protection : Hyundai Engineering takes into account both domestic and international biodiversity conservation laws and regulations, as well as the International Union for Conservation of Nature (IUCN) categories (IUCN Category I ~ IV Protected Areas), to comprehensively define and assess biodiversity and conservation areas. We are committed to adhering to the legal requirements of these protected areas and their surrounding regions.
  - International Community Conservation Area (IUCN Category Ia, etc.),
  - Wilderness Area (IUCN Category Ib, etc.),
  - National Park or Equivalent (IUCN Category II, etc.),
  - Natural Monument or Feature (IUCN Category III, etc.),
  - Habitat/Species Management Area (IUCN Category IV, etc.).
- 2) Application of the mitigation hierarchy : Hyundai Engineering will identify biodiversity in business sites and surrounding areas throughout the entire project process, identify protected species, establish countermeasures to preserve them, and implement in-depth mitigation activities (avoidance, minimization, restoration and offsetting).
- 3) NPI beyond>NNL : Hyundai Engineering will strive to achieve the prevention of net loss

of biodiversity (NNL, No Net Loss) and increase of the net positive impact (NPI) at business sites with important habitats.

- 4) Stakeholder collaboration : Hyundai Engineering is committed to establishing and implementing measures for biodiversity conservation, restoration, and expansion through cooperation programs and research activities with relevant stakeholders, including the government and specialized agencies, as needed in the vicinity of our facilities. We aim to actively pursue strategies that contribute to biodiversity conservation and enhancement.
- 5) Expansion to supply chain biodiversity protection: Hyundai Engineering will establish/implement biodiversity protection measures through environmental impact assessment, etc., and will strive to ensure that suppliers and partners participation.

#### Article 3 (Scope of application)

The scope of this policy includes all employees of Hyundai Engineering, both domestically and internationally, as well as all domestic and international subsidiaries, partner companies, and collaborators. Compliance with the principles of biodiversity protection is considered a fundamental element of Hyundai Engineering's business. We expect strict adherence to these principles from all partner companies, collaborators, and suppliers involved in maintaining a business relationship with us.

\*Partners: This includes agents, other intermediaries, joint venture and consortium partners, and customers.

#### Article 4 (Measures)

Hyundai Engineering preemptively identifies the impact on the ecosystem from the time the construction plan is established, and applies design and construction methods that can maintain the topographic environment and biodiversity as much as possible.

- 1) Alternative habitats : Implement various types of activities, including transplanting trees and plants, creating ecological wetlands by settling basins, installing an island of "artificial" plants, developing natural streams and green areas.
- 2) Protection devices and pathways : Adapt the activities to the field situation, including

building escape paths and escape-leading fences for small animals, installing pathways that utilize silt protectors, blocking paths, roadside trees, and other on-site structures.

- 3) Alternative engineering : Applying low-vibration construction methods, downscaling of bridge foundations.

#### Article 5 (Assessment)

Hyundai Engineering will monitor the establishment and implementation of biodiversity protection plans in the workplace through environmental impact assessment and periodically determine whether it complies with biodiversity-related laws. In addition, we will continuously inspect and improve the forest protection activities of our suppliers through supply chain sustainability assessment for critical suppliers.

#### Article 6 (Report)

Hyundai Engineering will faithfully report the status of compliance with biodiversity protection to internal and external stakeholders, and will follow the principle more thoroughly to prevent any violations.

#### Article 7 (Governance)

1) Responsibility : Hyundai Engineering ensures the management and supervision of biodiversity risks through management decision-making bodies, including those with top decision-making authority. The primary role of these management committees is to review and address risks related to biodiversity degradation and loss and other matters deemed necessary for biodiversity conservation, restoration, and expansion. Within Hyundai Engineering's Board of Directors, the Transparency Committee, which encompasses environmental and other non-financial key management issues, supervises these matters through regular reporting. When it comes to significant biodiversity assessments, protection plan development, and investment decisions impacting business operations, specific measures are taken through the required approval process.

2) Implementation : Hyundai Engineering establishes dedicated organizations at its headquarters and business units to carry out the implementation of biodiversity protection policies. The key responsibilities of these organizations include conducting biodiversity assessments and inspection procedures, executing activities related to

biodiversity conservation, restoration, and expansion, receiving and addressing biodiversity-related grievances, providing education and spreading awareness about biodiversity protection, and collaborating with external stakeholders and partner institutions.

■ Supplementary provision

- ① This Biodiversity Protection policy shall be enacted as of 2022. 08. 31.