

Deforestation Prevention Policy

Article 1 (Objective)

Hyundai Engineering shall not only establish the Deforestation Prevention Policy to implement Sustainability in all countries and regions where Hyundai Engineering operate 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 will do its best to minimize deforestation throughout business operations around the world. To meet the needs of our stakeholders, Hyundai Engineering will contribute to the prevention of deforestation and degradation of local communities, conservation of forests within and near the business site. In this regard, we will strictly implement the following regulations:

- 1) No-deforestation: Hyundai Engineering will actively cooperate with forest protection activities so that the natural ecosystem can flourish, and faithfully carries out the efforts to restore forests and green spaces requested by stakeholders during the business activity period in all countries in which it operates.
- 2) Future reforestation : Hyundai Engineering will promote new afforestation and reforestation projects within the workplace (such as Greening of multi-use facilities, creating parks, etc) through consultations with stakeholders to minimize deforestation. Our goal is to achieve Net Zero Deforestation by 2050.
- 3) Stakeholder collaboration: Hyundai Engineering will establish and implement measures to minimize deforestation near the business site through cooperation with stakeholders, including specialized agencies.
- 4) Participation in supply chain forest protection: Hyundai Engineering will identify the risk of deforestation through environmental impact assessment, implement measures, and strive to help suppliers and partners participation.

Article 3 (Scope of application)

The scope of this policy includes all employees at Hyundai Engineering's domestic and international facilities, as well as its own subsidiaries, partner companies, and cooperating entities. Compliance with the principles of forest conservation is deemed a critical element of Hyundai Engineering's business. We expect strict adherence to these principles from all partner companies, cooperating entities, and suppliers who maintain a business relationship with us.

*Partners: Agents, other intermediaries, joint venture and consortium partners, customers included.

Article 4 (Measures and Assessment)

Hyundai Engineering will monitor the establishment and implementation of forest development and greening plans in the workplace through environmental impact assessment, and periodically determine whether or not to comply with forest protection laws (illegal logging, etc.).

In addition, we will continuously inspect and improve the forest protection activities of our suppliers through supply chain sustainability

Article 5 (Report)

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

Article 6 (Governance)

- 1) Responsibility : Hyundai Engineering will manage and supervise deforestation risks through management consultative bodies involving top decision-makers or key decision-makers. The main roles of these management consultative bodies include reviewing measures to address deforestation risks and other matters deemed necessary for the protection, restoration, and expansion of forests. The Transparency Management Committee within Hyundai Engineering's Board of Directors, including environmental and other non-financial management issues related to ESG, will oversee and monitor through regular reporting. In cases where there are significant legal and regulatory aspects in the field of deforestation that may have substantial impacts on business operations, or when decisions regarding deforestation-related investments are required, the specific measures will be implemented after going through the approval process.

- 2) Implementation : Hyundai Engineering will establish an organization responsible for implementing deforestation prevention policies at its headquarters and workplaces. The primary functions of this deforestation prevention organization will include operating inspection procedures for deforestation risks, carrying out activities for forest protection, restoration, and expansion, handling complaints related to forests, conducting education and dissemination efforts for deforestation prevention, and cooperating with external stakeholders and partner organizations.

■ Supplementary provision

- ① This Deforestation Prevention policy shall be enacted as of 2022. 08. 31.