

# Environmental Management Policy

Hyundai Glovis has been operating an administrative system to oversee quality, environment, safety and health management. The environmental management policies for the main topics are as follows.

## **I. Production Activities, Business Facilities**

Hyundai Glovis applies various environmental management processes throughout its production activities and projects to reduce greenhouse gas emissions and minimize pollutants. The Company has established three environmental policies: minimizing pollutant emissions, utilizing resources and energy efficiency, and complying with environmental laws and regulations. Further, are making efforts to establish an environmental management system to pursue sustainable environmental preservation.

## **II. Suppliers, Service Providers, Contractors**

When signing a contract with a partner company, Hyundai Glovis confirms whether the potential partner has built an environmental management system and considers it as an important indicator for selecting suppliers. We also provide support to our partners who wish to acquire additional environment management capabilities.

## **III. Development of New Products and Services**

In order to encourage recycling of resources, Hyundai Glovis is recovering and reusing triple-sided corrugated cardboard used for product packaging. These efforts also help to reduce the cost issues associated with paper and board manufacturing. We also use foldable plastic boxes that can be used repeatedly. We are making relentless efforts to preserve the environment. For instance, by using a foldable box, we are able to reduce the unit volume required for transportation and thereby cut down on the volume and frequency of loading on land and sea transport.

## **IV. Product Distribution and Logistics**

In order to prevent environmental pollution that may occur during the storage and transportation of goods, Hyundai Glovis systematically manages the environmental aspects of not only the company's facility operation but also relevant tasks performed by partner companies. We operate standards for air, water, waste, soil, marine

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environment and greenhouse gas. We also check the status of our project sites periodically to prevent environmental pollution.

## **V. Waste Management**

Most of the wastes generated by Hyundai Glovis's business operations are general wastes. We strive to minimize the wastes generated from our business activities, and have established management standards for storage, transportation and disposal for efficient treatment of generated wastes. Based on the waste disposal details of the previous year, the head office and project offices establish the annual volume of expected wastes and a reduction plan, and self-manage performance every month. In addition, we are carrying out storage and transportation works according to the management standards for each type of waste, and strictly managing waste disposal firms to ensure that waste is handled legitimately.

## **VI. Projects out of Management Scope, 3<sup>rd</sup> Party Producers, Join Ventures**

From the stage of reviewing a new business, Hyundai Glovis recognizes important safety and environmental issues and regulations, and classifies them according to the level of risk. In consideration of risks based on the impact on our company and the nature of business, we identify risks, and diagnose potential risks at each level and monitor them continuously.

## **VII. Due Diligence, Acquisitions and Mergers**

Hyundai Glovis recognizes the potential risks from the failure to comply with environmental laws and regulations during mergers and acquisitions. If necessary, we conduct due diligence and review costs that may arise after the acquisition due to potential environmental risks, and have it reflected to our corporate value calculations.

## **VIII. Others**

Hyundai Glovis has established a management system portal, which acts as an integrated system for the environment and safety related fields of all project sites, and is systematically managing the overall process from status update and inspection to performance management according to internal policies. Through regular checkups, we are strengthening our capabilities to monitor for environmental pollutants.

**Ref. Environmental Performance Indicator**

KPI	Target	Target Year
GHG emissions	Reduce by 26.57% compared to 2016 GHG emissions	2030
Sulfur emissions	Installation of scrubber on 37 out of 46 vessels	2023
Installation of equipment for ballast water management	Install BMWS equipment on all vessels except Bare Boat Charter	2024