We Build a Sustainable Future

2025 HYUNDAI ENGINEERING & CONSTRUCTION SUSTAINABILITY REPORT



About This Report

Overview

This report is the sixteenth Sustainability Report published by Hyundai E&C. The company publishes an annual Sustainability Report in order to transparently disclose the directions and outcomes of the company's sustainable management to stakeholders. In the process of preparing this report, materiality issues were selected by conducting a double materiality assessment in order to collect the opinions of stakeholders. This report was guided by leading global disclosure standards, including International Financial Reporting Standards (IFRS) and the European Sustainability Reporting Standards (ESRS). For material issues, it references IFRS S2 to transparently disclose the financial impact, response measures, and internal capabilities related to each issue, in accordance with governance, strategy, risk management, metrics and targets. For other relevant issues, the report reflects the disclosure requirements set forth in the ESRS. In addition, the report offers the calculation of green revenue based on the EU Taxonomy, providing meaningful information to support decision-making by stakeholders including investors. Hyundai E&C remains committed to enhancing stakeholder trust by continuing to transparently disclose our strategies and business management status to improve sustainable value.

Reporting Period

This report covers key sustainable management activities and performances from January 1, 2024 to December 31, 2024 and includes the performances of some major activities until June 2025. Data from the past three to four years has been referenced where the continuity of performance trends is required.

Reporting Scope

For non-financial quantitative performance (governance, social, and environmental areas), the scope of the report covers 98,92% of Hyundai E&C consolidated revenues, including key controlled entities of Hyundai E&C subject to consolidated accounting (Hyundai Engineering, Hyundai Engineering & Steel Industries, Hyundai City Corporation, Songdo Landmark City, Hyundai Eco Energy, and Hyundai Farm Land & Development). Where the reporting scope of certain disclosures differs from the above, such exceptions are annotated separately. Reporting scope for qualitative performance covers Hyundai E&C's domestic headquarters and activities at its domestic and overseas business sites. Financial data is presented in accordance with Korean International Financial Reporting Standards (K-IFRS),

Sustainability Reporting Standards

This report complies with the 2021 Global Reporting Initiative (GRI) Standards, referencing global disclosure frameworks such as IFRS and ESRS. It also incorporates indicators of the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), the World Economic Forum (WEF) IBC Stakeholder Capitalism Metrics and the 10 principles of the United Nations Global Compact (UNGC).

Third-Party Assurance

In order to secure the fairness and credibility of the reporting process and related information used in this report, a thirdparty assurance was carried out by the Korea Management Registrar (KMR). The third-party assurance was conducted based on AA1000AS, which is an international assurance standard. Detailed results can be found in the Third-Party Assurance Statement included in this report.

Additional Information

Hyundai E&C periodically and transparently discloses data on management to provide information to stakeholders including investors. Additional information related to this report is available on the company's website, in its business report and audit report, and on the website for disclosure of the Financial Supervisory Service,

Contact

Hyundai E&C supports active stakeholder engagement and values feedback. If you have any comments or suggestions regarding the company's sustainability efforts, please send them to the email address below. We will review your input during our material assessment and reflect it in our future Sustainability Reports when appropriate.

Hyundai E&C IR Group Sustainability Management Team 75 Yulgok-ro, Jongno-gu, Seoul, Korea http://esg.hdec.kr/ Tel. +82-2-746-2935 E-mail, csr31@hdec,co,kr | ch,ahn@hdec,co,kr | minlee57@hdec,co,kr OVERVIEW MATERIAL TOPIC ENVIRONMENTAL SOCIAL GOVERNANCE APPENDIX | 100 | 2025 HYUNDAI E&C Sustainability Report | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

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About HDEC

CEO Message



Dear Valued Stakeholders. I am Lee Han-Woo, CEO of Hyundai E&C.

I would like to extend my sincerest gratitude to all stakeholders for your heartfelt support and interest, which have enabled Hyundai E&C to achieve sustained growth.

Since our foundation in 1947, Hyundai E&C has grown into a global leader in construction with our drive to take on challenges and maintain exceptional construction capabilities. We have carried out 889 projects across 62 countries and played a key role in surpassing the milestone of USD 1 trillion in cumulative overseas orders, helping showcase the strength of Korea's construction industry to the world and expand its global potential.

The construction industry is now facing multiple challenges. A prolonged economic recession and ongoing uncertainty requires a transition to a technology-driven industry aligned with the Fourth Industrial Revolution. At the same time, expectations around corporate roles and social responsibility are becoming more stringent. These include mandatory disclosure requirements, supply chain management, and issues related to human rights and the environment.

Despite global uncertainties, Hyundai E&C remains committed to securing market leadership and building a strong foundation for long-term sustainable growth.

We have consistently made the highest level of R&D investments among Korean construction companies to secure future-oriented technologies with high growth potential. Early this year, we hosted a CEO Investor Day, where we announced our mid- to long-term strategy to expand into advanced markets through energy innovation centered on large-scale nuclear power, SMRs, and renewable energy, as well as by leveraging high-value-added technologies.

ESG management, now a core expectation for global enterprises, remains one of our key priorities.

Our leading and differentiated sustainability efforts have been reflected in our inclusion in the Dow Jones Best-in-Class World Index for 15 consecutive years, entry into the Carbon Disclosure Project (CDP Korea) Hall of Fame for seven consecutive years, and our Net–Zero strategy, aimed at achieving carbon neutrality by 2045.

2025 HYUNDAI E&C Sustainability Report

This year, Hyundai E&C plans to further strengthen our efforts to enhance corporate value and revitalize the construction industry, guided by our new sustainability vision: "We Build a Sustainable Future."

To this end, we will ▲ realize a low-carbon society by transitioning our energy portfolio toward nuclear and hydrogen power and expanding into eco-friendly businesses, **a** enhance the quality of life by upholding the safety and convenience of both clients and members, and **build stakeholder trust** through transparent and responsible ethical and compliance management, as well as mutual growth and fair practices. In doing so, we aim to spread a culture of shared vision and value, and to pave the way for growth alongside future generations.

This year's Sustainability Report outlines detailed implementation plans based on Hyundai E&C's sustainability strategy and even takes into consideration related opportunities and risks.

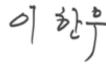
In addition, the report improved information accessibility for diverse stakeholders, reflecting the European Sustainability Reporting Standards (ESRS) to prepare for entry into the European market.

Hyundai E&C will continue its journey toward a sustainable future through genuine practices and innovation, striving to create a cleaner, more equitable, and inclusive world as a responsible member of the global community.

Your unwavering support and encouragement will be invaluable as Hyundai E&C continues to rise up and take on new challenges.

Thank you.

CEO of Hyundai E&C Lee Han-Woo



About HDEC

Message from the Chairperson of the Corporate Governance and **Communication Committee**



Greetings,

My name is Hong Dae-Sik, and I am the Chairperson of Hyundai E&C's Corporate Governance and Communication Committee.

APPENDIX

Hyundai E&C is strengthening the role of the Board of Directors as a key part of our commitment to sustainable management.

The Corporate Governance and Communication Committee under the Board is composed entirely of independent directors. The Committee is dedicated to safeguarding stakeholder interests, defining the company's sustainability vision and strategy, reviewing key ESG issues, and fostering transparent internal transactions and ethical governance.

This board-centered governance system provides a foundation for embedding ESG across all aspects of corporate management.

In particular, Hyundai E&C has established an integrated governance framework to ensure that sustainability management is embedded across all levels of the organization—from strategy formulation to execution and evaluation.

The Corporate Governance and Communication Committee operates the Sustainability Steering Committee, which drives tangible change by identifying ESG issues that need to be addressed by each department and incorporated into each division's KPI.

In 2024, the committee held quarterly meetings of the Sustainability Steering Committee where we shared project implementation updates, best practices, and ESG-related regulations, including those for a Corporate Sustainability Due Diligence Directive aimed at entering the European market. As a result, the ESG project completion rate reached 92%, up from 87% in the previous year, marking further progress.

Furthermore, the committee scrutinized ESG issues considered important by stakeholders, such as climate change response, occupational safety and health, and quality management, and examined both the positive and negative impacts of each issue.

Hyundai E&C views ESG as a strategic foundation for sustainable growth, rather than a tool for short-term achievement.

Accordingly, we have published our sixteenth Sustainability Report this year, pursuant to the global information disclosure standards. transparently disclosing ESG-related information and continuing our communication with stakeholders.

Going forward, the Corporate Governance and Communication Committee will continue to pursue responsible sustainability management based on the board-centered governance system to further embed ESG within Hyundai E&C. We remain committed to ensuring that Hyundai E&C earns the trust of all stakeholders as a reliable company.

Hyundai E&C the Chairperson of the Corporate Governance and **Communication Committee**

Hong Dae-Sik

About HDEC

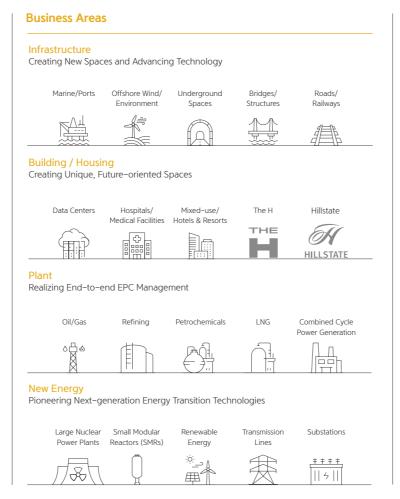
Company Profile

Based on our capabilities and expertise accumulated across various business areas including infrastructure, building, housing, plants, and energy, Hyundai E&C is leading customer satisfaction through continuous technology innovation and quality improvement. The unwavering drive embodied in the motto, "Anything you can imagine, you can achieve," along with confidence, creative foresight, and a spirit of challenge, is deeply embedded in Hyundai E&C, providing the guidelines for our thinking and actions. We will continue to lead the market and drive growth by delivering customized solutions with flexible creativity and open-mindedness, while proactively responding to the evolving construction landscape, guided by our mission that "The path Hyundai E&C has walked becomes the path of the construction industry."

Corporate Overview



Company Name	iompany Name HYUNDAI ENGINEERING & CONSTRUCTION CO., LTI	
Date of Foundation	May 1947	
CEO	Lee Han-Woo	
Number of Employees	14,859 (consolidated basis)	
HQ Address	75 Yulgok-ro, Jongno-gu, Seoul, Korea	
Sales	KRW 32.6703 trillion (consolidated basis)	
Operating Profit	KRW -1.2634 trillion (consolidated basis)	
Order Backlog	KRW 95,9250 trillion (consolidated basis)	
Credit Rating	AA- (Korea Ratings, NICE Investors Service, KIS Ratings)	



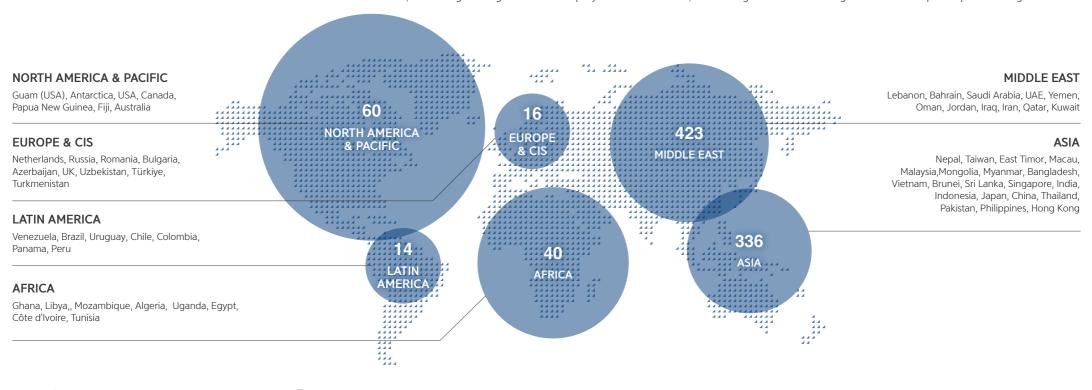


APPENDIX

About HDEC

Global Network & Business

Since its first overseas project in 1965 for the construction of the Pattani-Narathiwat Highway in Thailand, Hyundai E&C has successfully carried out 889 projects in 62 countries. It has leaped forward as a global construction leader, operating headquarters, 2 domestic branches and 1 domestic office, and 18 overseas branches (including subsidiaries) and 19 overseas offices as of the end 2024 where projects are being carried out at 131 domestic and 45 overseas project sites. New overseas projects won in 2024 include 2 advanced industrial facility projects in the US and Saudi Arabia, 1 ultra-high voltage transmission project in Saudi Arabia, and 1 design contract for a large-scale nuclear power plant in Bulgaria,







Overseas Projects (cumulative)





Current Domestic Project Sites



Countries Entered (cumulative)

Current Overseas Project Sites

Headquarters, Branches, and Offices





Infrastructure Creating New Spaces and Advancing Technology

Jeju Hanlim Offshore Wind Power Project

The Jeju Hallim Offshore Wind Farm is a project that constructed 18 wind turbine systems, each with a capacity of 5.56 MW, generating approximately 234 GWh of electricity annually. The structural installation was completed in October 2024 using the Frontier, Korea's first and only offshore wind turbine installation vessel. The complete construction was finalized in February 2025, and the wind farm is now supplying electricity across the Jeju region.











Main Products and Services

Our Infrastructure Division has realized the imaginations of mankind by creating new spaces such as roads, railways, ports, tunnels and bridges based on its experience and technological capabilities. We maintain our status as an undisputed top-tier infrastructure company and strengthen the competitiveness of existing business by developing new methods for saving costs and shortening construction periods while exploring new global markets.

We are contributing to carbon neutrality by continuously winning and executing projects in offshore wind power and biogas as part of our renewable energy business. Working with the Technology Research Center, we strive to make improvements in managing risks related to offshore wind power construction and to enhance biogas productivity and efficiency. Meanwhile, we have setup a specialized interface management system to sharpen the competitiveness of the railway business. Building on such knowhow and experiences, Hyundai E&C aims to take the lead in the global renewable energy business.

Key Technologies

Marine/Port

Breakwater design / Caisson method Dredging and reclamation / Floating structure design

Underground Space

Large-scale / Large-cross-section underground space

Tunnel Boring Machine (TBM) Design / Construction

*TBM: Tunnel Boring machine

Bridge/Structure

Long-span bridge engineering Accelerated Construction Techniques

Ground/Foundation

Innovative foundation design Offshore wind foundation

Main Products and Services

Driven by infinite imagination and technological prowess, Hyundai E&C's Building Division is leading the construction paradigm with green buildings, high-rise buildings, and smart building technologies, across a broad range of facilities – from commercial, medical, educational and cultural facilities to cutting-edge industrial facilities such as data centers. Hyundai E&C is growing as a builder and a developer in the eco-friendly and smart construction market by shortening construction periods using OSC (Off-Site Construction) methods, establishing a low-carbon construction system through the reduction of construction waste, dust and greenhouse gas emissions, and providing pre-construction services where uncertainty and risks are removed in advance using BIM (Building Information Modeling).

With the acceleration of globalization due to technological advancement, not only are technological capabilities becoming more important, but so is entry into global markets. Hyundai E&C is exploring new markets and strengthening our competitiveness as a global developer by initiating vertiport design and construction technologies through our participation in the K-UAM (Korea Urban Air Mobility) pilot project of the Ministry of Land, Infrastructure and Transport, and by establishing a data center and smart city development and operation system. We aim to secure global market dominance ahead of others and strengthen our global network by continuously improving our development and operation capabilities.

Key Technologies

Smart Construction

Construction automation

Mobility-friendly architecture (e.g., UAM vertiports)

Building Structure

Seismic/wind-resistant design OSC (Off-Site Construction)

Construction Materials

High-performance/specialty concrete for crack mitigation Eco-friendly/advanced composite materials technology

Eco-friendly Energy

Building energy management technology Indoor air purification technology



Creating Unique, Future-oriented Spaces

THE H

"THE H" is a compound of "the" signifying something unique or exclusive and "H" which stands for Hyundai, High-end, and High Society. The brand embodies the rare value of being the first, the greatest, and the only.

Main Products and Services

Hyundai E&C's Housing Division holds the status of a luxury brand across the domestic housing sector thanks to our trendy designs and premium residential spaces and services that put customer satisfaction first. We are committed to leading the residential trends in Korea by providing future housing technologies to meet the demands of the era of the Fourth Industrial Revolution together with Hill State, which creates new lifestyles, and THE H, which is setting new standards for premium residential space. We will continuously develop specialized housing products unique to Hyundai E&C, proactively responding to the demands of the market and customers, and leading innovation in the residential culture of South Korea by transforming the market paradigm.

Residential trends are changing rapidly amid accelerating advances in cutting-edge technology, changes in demographics driven by a growing ageing population and dropping fertility rates, and increasingly diverse lifestyles. In response to such changing times, Hyundai E&C is developing products and services to lead future residential trends across interior and exterior styles and smart residential services to create new types of residential spaces and to offer higher standards of living. We will continue to pioneer a sustainable residential culture by expanding the scope of ecofriendly practices across the entire business lifecycle through such practices as building model homes with recyclable and eco-certified materials, creating landscapes with endangered plants and upcycled material, and constructing ZEBs (Zero Energy Buildings).

Key Technologies

Noise/Vibration

Inter-floor noise reduction Noise and vibration control

Building Structure

Seismic/wind-resistant design OSC (Off-Site Construction)

Construction Materials

High-performance, high-quality concrete

Eco-friendly/advanced composite material technology

Eco-friendly Energy

Building energy management technology Design/demonstration of healthy housing



New Energy Pioneering Next-Generation Energy Transition Technologies

Construction of Shin Hanul Nuclear Reactors 1 and 2

2025 HYUNDAI E&C Sustainability Report

The Shin Hanul Nuclear Reactors 1 and 2 are 1,400 MW-class pressurized water reactors (PWRs) located in Uljin-gun, North Gyeongsang Province. This project adopted the same reactor design as the Barakah Nuclear Power Plant in the UAE, Korea's first successful nuclear export. Hyundai E&C also secured contracts for Shin Hanul Reactors 3 and 4 and has began construction in earnest. By successfully completing this project, we aim to strengthen our position as a strong competitor in securing new projects in the future global nuclear power market and opening a new chapter in nuclear construction worldwide, with our exceptional capabilities

Main Products and Services

The New Energy Division is strengthening its EPC capabilities for large-scale nuclear power plants (NPP) building on proud portfolio highlighted with accomplishments such as the most NPP constructions in Korea and Korea's first NPP exporter. Leveraging Korea's first modular design and production technologies for large-scale NPPs, we aim to shorten construction periods while realizing high quality standards. In addition, we are enhancing stability based on top-notch quality levels reached through the automated welding technology for ultra-large nuclear reactor hangar structures. With this competitiveness, Hyundai E&C's New Energy Division will take the lead not only in boosting the domestic NPP industry, but also in expanding into the overseas market.

As nuclear energy and renewable energy are in the spotlight as alternative energy sources for achieving net-zero, Hyundai E&C's New Energy Division is strengthening the total nuclear energy value chain through SMR design, procurement, and construction, while entering the next-generation reactor business by developing proprietary technologies. Moreover, we are strengthening our competitiveness in NPP decommissioning and spent nuclear fuel management based on our track record in projects. We are also striving to lead the zero-carbon future energy market by expanding the renewable energy business including fuel cells, solar power and nuclear-based clean hydrogen.

Large Nuclear Power Plant

Optimal designing and production technologies for modular large-scale nuclear power plants

Automated welding technology for ultra-large nuclear reactor hangar structures

SMR/Next-Generation Reactor

Small modular reactor (SMR) Value Engineering (VE) designs Molten salt reactor (MSR) and sodium-cooled fast reactor (SFR) technologies

Decommissioned NPP Service/Spent Nuclear Fuel

Decommissioned site restoration technology Dry storage technology for spent nuclear fuel

Renewable Energy

Key Technologies

Optimization of renewable energy facilities such as solar and wind power

Integration technology for green and clean hydrogen

About HDEC

Creating Sustainable Economic Value

Key Businesses and Strategic Direction

Since its inception in 1947, Hyundai E&C has led the construction industry by taking on challenges and continuous innovation. In March 2025, built on the belief that the path Hyundai E&C walks becomes a path for the construction industry, we announced the H-Road growth strategy to our stakeholders that include shareholders. Hyundai E&C aims to play a crucial role across the entire energy value chain as an Energy Transition Leader while expanding our business model in response to climate change and evolving global market demands. We will become a true global key player by entering into advanced markets and expanding our value chain to include development and operations as well as construction. In addition, we will strengthen our core competencies and earn greater customer trust by focusing our capabilities on competitive offerings, thereby laying the foundation for sustainable growth. Our goal is to secure Hyundai E&C's unique competitiveness and strengthen our leadership in the global construction industry by advancing new low-carbon and eco-friendly businesses while actively exploring new markets both home and abroad.

Energy Transition Leader

Strategic Direction		Detailed S	Strategy	Key Project
	Establishing	a main role across dive	rse areas of energy production, sto	rage, transportation, and utilization
	Production	Leading the nuclear energy market	Securing proprietary technologies for 4th–generation nuclear reactors Providing full–spectrum nuclear power services Strengthening competitiveness in large–scale NPPs and SMRs	Bulgaria Kozloduy Units 7 and 8 (Large–scale NPPs) Palisades SMR–300 in USA Forming strategic partnerships with Westinghouse and Holtec
		Building a renewable energy ecosystem	Design and construction of hydrogen production plants Deployment of clean energy sources such as offshore wind power Participation in CCUS (Carbon Capture and Storage) projects	Demonstration project for clean hydrogen production using nuclear–integrated low–temperature water electrolysis Developing and implementing a system module for high–temperature water electrolysis (SOEC) Awarded Pre–FEED for CCS (Carbon Capture and Storage) at the East Sea Gas Field
Building the Value Chain and Expanding Business Models	Storage &	Power transmission and substation market	Expanding into new markets and securing a leading position Pursuing sustainability	Executing Saudi Arabia's largest 500kV HVDC transmission project Delivering Saudi Arabia's largest single 380kV substation project Completed a total of 188 transmission and substation projects
	Transportation	Clean Ammonia	Providing design and construction services for ammonia production plants Clean hydrogen storage and transportation project	 Optimization and demonstration of CO₂ capture and liquefaction processes for blue hydrogen production Executing FEED for the Boryeong Hydrogen Plant
	•	Nuclear-integrated data center	 Proposing a nuclear power + data center packages and providing total solutions 	-
	Utilization	Power brokerage and trading	Expanding distributed energy trading, including renewable energy, SMRs, and hydrogen	Renewable energy supply agreements (a tota of 500 MW) through Hyundai Motor Group's power brokerage business Promoting the joint development of a VPP platform in collaboration with energy IT company SixtyHertz

Core Competency Focus

Strategic Direction		Detailed Strategy	Key Project
	Offshore Wind Power	The only company in Korea with offshore wind construction experience and a dedicated installation fleet Achieving vertical integration by internalizing key technologies	EPC for turbines and substructures at the Southwest offshore wind demonstration complex Jeju Hanlim Offshore Wind Power Project
	Hydrogen/ Ammonia	Securing FEED capabilities for blue ammonia and participating in EPC projects Building partnerships with global licensors	Project to build a water electrolysis-based hydrogen production base in Buan, Jeonbuk [Green hydrogen] Water electrolysis demonstration project in Jeju [Green hydrogen]
Focusing on Competitive Offerings and Reinforcing Fundamental Competencies	Data Centers	Entry into the global data center market Leading the establishment of Asia's data center hub	· Microsoft Data Center · AWS Data Center
	Urban Regeneration	Advancing technology and maximizing the value of our offerings Connecting residential living with the future through innovative technologies	H Silent Home System I & II All-Life Care House Neo Frame
	Mixed-use Development	Strategically advancing projects based on strong networking capabilities, financial soundness, and risk management expertise	Mixed-Use complex on the Gayang-dong CJ Site Millennium Hilton Hotel Site development project Mixed-Use development project in the Bokjeong Station area

About HDEC

Creating Sustainable Economic Value

Global Key Player

Expanding Global Market Presence

Hyundai E&C is expanding its global market presence focusing on nuclear and renewable energy businesses, with "transitioning into an energy company" as its core strategy. As part of this effort, we are proactively pursuing large-scale and next-generation nuclear power projects, and currently pioneering new business opportunities in countries such as the U.S., Bulgaria, Sweden, and the UK. Moreover, we are expanding into renewable energy markets in advanced economies to drive sustainable growth.

Hyundai E&C is targeting highly stable, high-potential projects with significant added value in advanced markets such as Europe, the U.S., and Australia, leveraging its accumulated technological expertise and know-how. Accordingly, since 2023, the company has established six new overseas branches in New Jersey (USA), Warsaw (Poland), Kyiv (Ukraine), Cernavodă (Romania), Sofia (Bulgaria), and Sydney (Australia), leveraging them for business and market diversification.

To ensure the long-term sustainability of its overseas operations. Hyundai E&C is pursuing both external expansion and internal excellence. While preemptively identifying risk and developing contingency plans to enhance operational stability, we optimize country-specific portfolios and maximize profitability and strengthen financial soundness through closley managing projects through close cooperations among our headquarters, branches, and project sites. Moving forward, Hyundai E&C will remain committed to enhancing its competitiveness in the global energy market and achieving sustainable growth.

Regional Business Strategies

Middle Fast





- Expand into new growth areas like eco-friendly energy (blue hydrogen/ammonia) and data centers to establish a foothold in future markets
- Enhance technological competitiveness through collaborations with advanced firms holding proprietary technologies
- Closely monitor oil prices, geopolitical shifts, and security conditions while strengthening our presence in the Middle East.







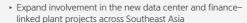






Asia and Oceania





- Strengthen influence in Asian transport infrastructure by leveraging the award of four packages for the Philippines Southern Commuter Railway,
- Secure foothold projects to enter PPP markets in advanced economies (Australia and New Zealand)
- ▶ Promote Korean-style (K-Housing) exports through residential developments in New Zealand



Broadening Business Areas

Hyundai E&C is dedicated to strengthening its competitiveness in overseas project acquisition and execution by identifying new opportunities, developing subcontracting strategies, and supporting local operations through its extensive global network. At the same time, we are establishing a system to manage key clients, project owners, and partners to ensure sustainable growth and to enhance our own competitive edge. To expand our overseas order pipeline through regional diversification, we are actively reviewing and implementing plans to establish new branches and subsidiaries. Through the establishment and operation of this pipeline, we aim to reduce competition and secure new projects. In the long term, we are pursuing sustainable growth by promoting the localization of these entities.

In the intensifying race for next-generation nuclear power, Hyundai E&C has secured a leading position by leveraging its global network and building strategic partnerships with proprietary technology holders. This has enabled us to gain early traction in the Small Modular Reactor (SMR) market and make significant progress in large-scale nuclear power projects based on our domestic and international track record. As a result, Hyundai E&C was awarded a contract for the tritium removal facility at the Cernavodă Nuclear Power Plant in Romania, followed by a design contract for the Kozloduy Nuclear Power Plant in Bulgaria in 2024. To improve client management and project execution capabilities, we have established overseas branches in Warsaw, Poland, Sofia, Bulgaria, as well as an office in Cernavodă, Romania, in Europe where multiple nuclear projects are expected. Additionally, we have opened a new office in Kyiv, Ukraine to prepare for post-war reconstruction opportunities and to remain agile amid the evolving situation, Lastly, Hyundai E&C has also opened a branch in Sydney, Australia to pursue opportunities in renewable energy in the region, including green hydrogen, solar power, and offshore wind, as well as housing developments, strengthening its presence in advanced markets.

America



- Strengthen competitiveness in the global nuclear market by partnering with USA firms holding proprietary technology to participate in full-lifecycle nuclear projects (decommissioning, spent fuel storage, etc.) and nextgeneration SMRs
- Expand involvement in U.S. high-tech industry, develop renewable energy (e.g., solar), and transport infrastructure projects
- Pursue strategic partnerships through early-stage partnering with major U.S. companies
- ▶ Pursue Latin American opportunities via ECA*-backed project proposals



Europe



- Secure project opportunities in Europe through strategic partnerships with leading construction and engineering
- Expand nuclear/SMR business in the UK, Sweden, and Ukraine using Romania and Bulgaria as key footholds
- Conduct preliminary engagement to enter Ukraine's reconstruction projects (airports, power transmission and substations)
- Analyze risk and develop market entry strategies for new European markets through preliminary market research



^{*} ECA: Export Credit Agency

^{*} BESS: Battery Energy Storage System | ** SAF: Sustainable Aviation Fuel

About HDEC

Creating Sustainable Economic Value

Establishing a Sustainable Technology Platform

Developing Fundamental Technologies

Hyundai E&C is developing a wide range of foundational technologies to secure technical leadership in the infrastructure, building/housing, and plant sectors, In infrastructure, we are focusing on new construction methods to create innovative spaces and shorten construction periods. In the building and housing sectors, we are advancing novel technologies such as PC (precast) Rhamen/modular systems, zero-energy buildings, and wellness-oriented housing. In the plant sector, we are developing new eco-friendly process technologies for future energy and net-zero plants, contributing to a more sustainable future.

Infrastructure

- ▶ Marine/Ports: Floating structures and subsea spaces
- Bridge/Structures: Long-span bridges / Accelerated Construction Techniques
- ► Underground Spaces: TBM* Design
- Ground/Foundations: Offshore wind foundations



Building/ Housing

- ▶ Noise/Vibration: Inter-floor noise reduction
- ▶ Construction Materials: High-performance, high-quality concrete
- Structure/OSC: PC¹⁾ Rhamen²⁾ / modular³⁾ /DfMA⁴⁾
- ▶ Eco-Friendly/Energy: Zero-energy /healthy housing



Plant

- ▶ Process: Cryogenic liquefaction process design/CCUS*
- Machinery/Piping: Flow and integrity evaluation
- Metal materials/corrosion: Corrosion analysis and anti-corrosion design
- ▶ Smart Plant: Smart diagnostics and control



- 1) PC (Precast Concrete): A construction method that uses concrete components pre-manufactured in a factory for installation at the construction site
- 2) Rhamen: In residential buildings, A wall-bearing structure uses walls to support the ceiling, while a Rahmen frame uses vertical columns to bear vertical loads and horizontal beams to support lateral forces
- 3) Modular Construction: A construction method in which parts and materials are pre-manufactured in a factory as modules and then assembled on-site
- 4) DfMA (Design for Manufacturing and Assembly): An approach that integrates manufacturing and assembly considerations into the design process

Future Technology Innovation

Hyundai E&C is conducting research across a broad spectrum of future technologies to lead paradigm shifts in the construction industry. Among them, 3D printing is expected to emerge as a new construction model, by integrating with robotics technologies. We have carried out "research on automated construction using concrete 3D printing technology." In the drone sector, we developed a "drone-based image analysis and quality monitoring system." In robotics, we conducted studies on "automated data recording and management using unmanned patrol robots" and "precision curtain wall installation robot development." In parallel, we are preparing for the era of the Small Modular Reactor (SMR) by researching "advanced radiation shielding materials" for building net-zero smart cities. In 2024, R&D investment reached KRW 24.6 billion, which meant three years straight of growth, as we continue to enhance competitiveness through national, proprietary, and in-house technology projects.

Smart Construction

- · Construction Automation: Construction robotics / 3D printing
- ▶ Big Data: Al-based prediction of safety, quality, and progress
- ▶ ICT Convergence: IoT-based safety management systems
- Automated Construction Management Platform: Digitalization of the entire construction process



Smart City

- ► Air Mobility: UAM* infrastructure (vertiports)
- ► Underground Mobility: Hyperloop
- → Smart City: Infrastructure integrated with mobility services
- ▶ Future City: Advancement of future city models



* UAM (Urban Air Mobility): Aerial transport system for passengers or cargo in urban areas,

Securing New Growth Engine

Hyundai E&C is exploring new opportunities in eco-friendly technologies and energy transition to secure future growth engines. In the nuclear sector, we are conducting research on Small Modular Reactors (SMRs) and nuclear decommissioning. In the hydrogen field, we are focusing on hydrogen production and storage. We are also advancing research in Carbon Capture, Utilization, and Storage (CCUS) to contribute to sustainable energy production and ecofriendly power supply. In addition, we are accelerating commercialization through demonstration projects such as biogas-to-energy conversion and RO desalination. Eco-friendly technologies in areas such as resource recycling, water resource management, and soil remediation further support our commitment to reducing environmental impact. Through these efforts, Hyundai E&C aims not only to contribute to clean energy solutions, but also to expand its business portfolio in the era of sustainability.

Eco-friendly Technology

- Converting biogas to energy: Biogas production and upgrading
- ► Desalination/Water Treatment: Reusing RO¹¹-based water and demonstrating high-concentration nitrogen removal via biofilm processes RO
- Contaminated Soil Restoration: Cleaning heavy metals- and oil-contaminated soil thermal treatment for organic pollutants



Energy Transition

- ▶ Nuclear: Small Modular Reactors (SMRs), deep geological disposal of high-level waste, nuclear decommissioning
- ► Hydrogen: Hydrogen production (electrolysis, CO₂-based methane reforming), hydrogen storage (liquefaction, ammonia, LOHC²⁾)
- CCUS: CO₂ capture (wet, dry, DAC³)). CO₂ utilization



- 1) RO (Reverse Osmosis): A technology for removing salt from seawater by applying pressure and forcing it through a filtration membrane (RO filter) for water treatment
- 2) LOHC (Liquid Organic Hydrogen Carriers):, A technology developed for the safe storage and transportation
- 3) DAC (Direct Air Capture): A technology that captures carbon dioxide directly from the atmosphere.

Creating Sustainable Economic Value

Establishing a Sustainable Technology Platform

Technical Innovation Support

Hyundai E&C is committed to driving growth for both the company and the construction industry through technological innovation, while fostering mutual cooperation. When technical issues arise at project sites or within business divisions, requests are submitted to technical researchers, who then propose solutions and prepare technical reports. These reports are systematically managed through an automatic linkage with our site management system. In 2024, a total of 211 technical support cases were handled in collaboration with project sites and business divisions. Hyundai E&C will continue to strengthen collaborations among its researchers, business units, and construction sites, with a strong focus on improving construction quality and enhancing customer value.

Open Innovation

Since 2022, Hyundai E&C has participated in various open innovation projects, including the "Hyundai E&C x Seoul Startup Open Innovation" competition, to foster a sustainable construction innovation ecosystem. In 2024, we hosted Open Innovation Day, providing startups with an opportunity to promote their technologies and present construction innovations. The event attracted over 100 participants, including representatives from 15 startups, the Seoul Business Agency, the Korea Institute of Startup & Entrepreneurship Development, the Seoul Center for Creative Economy and Innovation, the Korea Techno-Venture Foundation, and Hanyang University. The event served as a platform for sharing innovative technologies from startups in fields such as smart construction, AI-ICT convergence, and future housing and digital healthcare. It also provided valuable insights into collaborations between large corporations and startups, grounded in real-world experience, Between corporations and startups, joint R&D, cocommercialization, and new product development are underway.

R&D Business Case

"Unveiling Korea's First Inter-floor Noise-free Apartment"

Hyundai E&C is making quiet apartment living a reality by commercializing Korea's first Grade 1-certified floor structure for inter-floor noise. We will first apply our proprietary technology, H Silent Home System II, to The H Daechi Edellui, a premium apartment complex scheduled for completion in 2025, and plan to gradually expand its adoption. The system features a floating floor structure that maximizes noise reduction by combining high-performance shock-absorbing materials with specialized mortar, It notably uses PET and PU materials to effectively noises arising from heavy impact. This independently developed technology has been recognized for its performance, earning Hyundai E&C the distinction of being the first Korean construction company to receive a Grade 1 certification for both light and heavy impact noise in 2022. Since 2015, we have been focusing on inter-floor noise reduction by establishing dedicated teams and research facilities. Currently, we are advancing a wide range of noise control technologies through our integrated research center, H Silent Lab. We plan to continue enhancing residential soundproofing through our H Silent Solutions Package, further improving the quality of life for residents.



Inter-floor noise assessment at H Silent Lab

"Korea's First Water Electrolysis-based Hydrogen Plant **Begins Construction**"

A groundbreaking ceremony was held in May 2024 at the New and Renewable Energy Complex in Buan, North Jeolla Province, with officials from the Ministry of Trade, Industry and Energy, the provincial government, and Buan County in attendance. The facility will be Korea's largest commercial water electrolysis hydrogen production base, using 2.5 MW of electricity to produce over one ton of high-purity hydrogen per day. The hydrogen will be supplied to local research facilities and refueling stations in Buan, serving as a key hub for the future development of an energy self-sufficient city. Hyundai E&C is managing the entire process – from design and equipment procurement to construction - and has enhanced system reliability through redundancy. Following pilot operations, the plant is expected to begin production in the fourth quarter. We also have been strengthening our hydrogen plant design capabilities through projects such as the Boryeong Clean Hydrogen Project and the Jeju Green Hydrogen Demonstration Plant, Hyundai E&C aims to lead the global clean energy market by expanding R&D across next-generation energy technologies including CCUS, biogas, and small modular reactors (SMRs).



Aerial view of the water electrolysis hydrogen production base in Buan, North Jeolla

About HDEC

SDGs in HDEC

Hyundai E&C supports Sustainable Development Goals (SDGs), a global agenda aimed at addressing universal human, environmental, economic, and social challenges by 2030, and contributes to their achievement by engaging in activities that align with these goals.



We are working to ensure clean water and sanitation by 2030 by reducing water pollution and improving water-use efficiency through the promotion of water reuse.



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We are working to ensure sustainable energy by increasing the share of renewable energy in the global energy mix and expanding investment in clean energy technologies by 2030.



We are contributing to the sustainability of existing infrastructure and industries by improving resource efficiency and expanding eco-friendly technologies by 2030.



We are building sustainable cities by 2030 by reducing the negative environmental impact on urban populations and promoting the construction of eco-friendly buildings.

Infrastructure

Offshore Wind Power

After becoming the first Korean construction company to establish a track record in offshore wind power construction, we have led the market based on our strong technological competitiveness in foundation and structural works, including substructure and superstructure construction. In particular, we operate the largest fleet of offshore wind power vessels in Korea. Using the Frontier, a vessel capable of installing 10 MW-class turbines, we successfully completed the Jeju Hallim Offshore Wind Project, proving our technical capabilities in the field.



Biogas

We are expanding our resource-circulating biogas business, which converts food waste, sewage sludge, and human waste into biogas used as eco-friendly energy. In 2024, we completed the Siheung Clean Energy Center, Korea's first privately funded integrated biogas facility. More recently, we were selected as the preferred bidder for the Gumi City wide-area integrated biogas facility project, further solidifying our leadership in building an eco-friendly energy ecosystem.



Plant

Based on our experience participating in Korea's first CCS pilot project, we are striving to advance core technologies in the field of carbon dioxide storage. In 2023, we signed a contract with the Korea National Oil Corporation to carry out a preliminary basic design for the construction of Korea's largest carbon dioxide storage tank, leveraging the depleted East Sea gas field.



Clean Hydrogen

To help achieve carbon neutrality and lead the global hydrogen plant market, Hyundai E&C is strengthening its in-house design capabilities. We have established a dedicated Hydrogen/Ammonia Business Development Team to closely monitor industry trends and continuously explore new market opportunities. Also, we are enhancing collaborations with engineering firms to generate high-quality project opportunities. We continue to pursue innovative solutions that maximize energy efficiency and reduce carbon emissions.



Building / Housing

Green building

Hyundai E&C takes the lead in constructing energy-efficient green buildings by utilizing eco-friendly materials and applying advanced technologies. The HD Hyundai Global R&D Center has reduced energy consumption by approximately 40% compared to conventional buildings and has received multiple environmental awards, including one from the Green Building Festival,



Recycled Materials

Hyundai E&C is introducing upcycled design products to promote resource circulation. We have showcased various artworks that incorporate sustainability by using waste materials such as empty cosmetic containers, and recently began producing architectural materials like UHPC* panels from these resources. These materials are now being applied in landscaping structures such as community rest areas and waste separation stations.





New Energy

Large-scale NPP/SMR

By participating in the construction of 26 largescale NPPs in Korea and overseas, we have contributed to securing sustainable energy sources. Based on an agreement with Holtec International for SMR development, we are deploying the first SMR-300 unit in Palisades, Michigan. In addition, we are engaged in the development of molten salt reactors and sodium-cooled fast reactors to provide nextgeneration nuclear power solutions and help realize a carbon-neutral future.



Renewable Energy

Hyundai E&C has demonstrated its capabilities in eco-friendly power generation through execution from project development to EPC and O&M for the Seosan Solar Power Plant, Korea's first large-scale solar power facility. We also completed the Sarulla Geothermal Power Plant in Indonesia, the Daesan Biomass Power Plant, and the Saemangeum Onshore Solar Power Project (Zone 3), In addition, we joined a demonstration project for clean hydrogen production via low-temperature water electrolysis linked to a nuclear plant, and are building water electrolysis-based hydrogen production plants in Buan and Ulioo, as well as



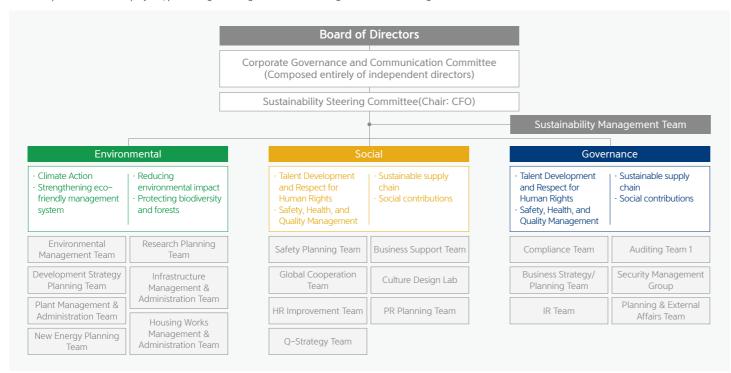


APPENDIX

SUSTAINABILITY IN HDEC

Governance

The Hyundai E&C Sustainability Steering Committee was established under the Board's Corporate Governance and Communication Committee, led by the Chief Financial Officer (CFO) and has been operating since. The committee discusses key ESG-related issues, such as climate change, occupational safety and health, and quality management, to enhance the company's response to non-financial risks, while the Corporate Governance and Communication Committee, the company's highest decision-making body, reviews and makes decisions on the outcomes. Additionally, the committee sets performance goals by division and incorporates them into the KPIs of departments and employees, promoting the integration of ESG management across the organization.



Corporate Governance and Communication Committee

Composed entirely of independent directors, the Corporate Governance and Communication Committee is responsible for reviewing and approving ESGrelated matters at Hyundai E&C. It plays a key role in enhancing the company's ESG performance by providing expert oversight and decision-making on the selection of Hyundai E&C's sustainability vision and strategic tasks, the review and approval of major ESG and other non-financial management issues, and the performance evaluation of the Chief Safety Officer.

Sustainability Steering Committee

The Sustainability Steering Committee is chaired by the CFO and consists of working-level personnel responsible for key ESG-related issues, including climate change, occupational safety and health, quality management, ethics, and compliance. The committee operates regularly based on the principles of sharing performance and information updates. The committee may also operate on an ad-hoc basis to address urgent matters such as public disclosures or external evaluations. By carrying out company-wide ESG planning, direction-setting, and risk mitigation activities, the committee contributes to the alignment and implementation of Hyundai E&C's ESG strategy.

Sustainability Management Team

The Sustainability Management Team's roles include ESG planning, management, and collaboration across the enterprise. The team establishes an ESG management system and embeds it throughout the organization, while also developing cooperative systems and disclosing ESG-related information externally. To advance the ESG system, the team defines management indicators. operates a data system, and supports the design of key performance indicators (KPIs) at the division and office levels. It also identifies areas for improvement and collaborates and coordinates with relevant personnel to help them ensure follow-up.

▲ Annual Sustainability Management Process

Jan Review ESG evaluation indicators and draw out tasks for improvement Materiality assessment

Feb-Mar

Discuss and determine ESG related KPIs based on the materiality assessment

Report to BOD (Corporate Governance and Communication Committee)

Apr

Plan and determine overall evaluation

Jun-Jul Issue Sustainability

Report Report to BOD (Corporate Governance and Communication Committee)

Sep-Oct

Conduct interim assessment on tasks for improvement

Dec

- Final assessment and recognition for outstanding departments
- Reflect results in KPI of departments
- Report to BOD (Corporate Governance and Communication Committee)



2024 Hyundai Engineering & Construction Sustainable Management Council

Tasks

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SUSTAINABILITY IN HDEC

Sustainability Management Strategy

As a global leader in construction, Hyundai E&C has established a new 2025 sustainability vision "We Build a Sustainable Future" to contribute to a more sustainable future for humanity and the environment. To realize this vision, we have set three strategic directions - realizing a low-carbon society, enhancing the quality of life, and building stakeholder trust - along with nine strategic tasks. Through these efforts, we aim to embed sustainability across our operations and generate tangible ESG outcomes.

We Build a Sustainable Future



Carbon Reduction Across the Value Chain

Environmental Management Implementation







Talent Development and Respect for Human Rights

Creating Value for Local Communities

Building Safe Workplaces



Strengthening Supply Chain Capabilities



Quality Management for Customer Satisfaction



Ethics and Compliance Management



SUSTAINABILITY IN HDEC

Impact, Risk and Opportunity Management

As the scope and impact of sustainability issues surrounding companies continue to grow, it is becoming increasingly important for companies to identify and manage the potential environmental and social impacts, and the risks and opportunities arising from external factors. Hyundai E&C conducts annual materiality assessments to identify and manage sustainability issues that affect stakeholders as a result of the company's management activities or have an impact on its business activities. For more information on Hyundai E&C's 2024 materiality assessment process and key issues selected, please refer to the Materiality Assessment section (pages 25-26) of this report.

Risks and Opportunities regarding Sustainability (Top 5)

No	HDEC Sustainability Strategy	A	a Issue	Environmental and Social Impact		Financial Impact	
NO		Area		Definition of Impact	Impact Type	Definition of Risk and Opportunity	
1	Enhance the Quality of Life Building safe workplaces	Social	Occupational safety and health	Risks to life and property resulting from safety incidents involving employees and construction workers from suppliers at project sites	Actual / Negative	[Opportunity] Increased revenue through enhanced bidding competitiveness by creating safe worksites [Risk] Higher regulatory response costs from stricter safety-related regulations (e.g., enhancement of workplace health and safety management systems) Monetary penalties and compensation costs resulting from legal violations in the event of safety incidents, as well as reduced operating profits due to project delays	
2	Realizing a Low-carbon Society Implementing carbon neutrality by 2045 Carbon reduction across the value chain Environmental management implementation	Environmental	Climate change	Acceleration of global climate change due to high greenhouse gas (GHG) emissions resulting from the extensive use of materials and energy	Actual / Negative	[Opportunity] Revenue growth from increased energy transition project orders Revenue growth resulting from strengthened building energy efficiency policies and mandatory Zero Energy Building requirements [Risk] Increased regulatory response costs from stricter GHG regulations Rise in operating costs caused by the increased purchase prices of carbon-intensive raw materials (e.g., steel, cement), procurement of renewable energy, and energy efficiency measures Reduced labor productivity, project delays, and additional costs from extreme weather events (e.g., heatwaves, floods) due to climate change	
3	Building Stakeholder Trust Quality management for customer satisfaction	Social	Quality management	Reduced customer satisfaction and damage to life and property caused by quality defects	Actual / Negative	[Opportunity] Increased revenue through enhanced trust from customers and local communities, along with improved brand reputation and corporate image. [Risk] Repair costs due to quality defects, and compensation payments in case of civil litigation	
4	Enhance the Quality of Life Talent development and respect for human rights	development and respect for Social	mance the Quality of Life	Labor practices and	Improving employee satisfaction and creating quality jobs through robust labor-management relations and a sound organizational cultur	Actual / Positive	[Opportunity] · Reduced operating profits due to lower labor productivity stemming from deteriorated labor–management relations
4			organizational culture	organizational Heightened employee anxie	Heightened employee anxiety and weakened social cohesion stemming from deteriorated labor relations	Potential / Negative	[Risk] · Additional costs from project delays due to production and service suspensions caused by labor disputes
F	Building Stakeholder Trust Strengthening supply chain capabilities	Social	Supply chain	Strengthened capabilities of individual suppliers and enhanced industry competitiveness through shared growth initiatives	Actual / Positive	[Opportunity] · Lower operating costs through the establishment of a stable supply chain · Increase in competitiveness and sales through mutual growth with suppliers	
5			SUCIAI	management	Extensive negative social and environmental impacts throughout the value chain caused by inadequate ESG management in the supply chain	Potential / Negative	[Risk] Revenue decline due to human rights and environmental risks in the value chain, and reduced investment resulting from paused transactions caused by poor supply chain management

SUSTAINABILITY IN HDEC

Metrics and Targets

Hyundai E&C has set its 2030 sustainable management goals under the vision "We Build a Sustainable Future," focusing on three core sustainability strategies and nine specific areas, and systematically manages key sustainability KPIs based on this framework. We are advancing multiple initiatives, including greenhouse gas reduction in line with our 2045 carbon-neutral roadmap aligned with the Science Based Targets initiative (SBTi), growth in revenue from sustainable products and services, talent development, reduction in safety incident rates, and strengthened supply chain and quality management. We aim to lead innovation and change for a sustainable future by continuing to manage our mid-to-long-term sustainability targets effectively.

Sustainable Management Strategies and Goals

Sustainability Strategy Initiative		2030 Sustainable Management Goal	Sustainability KPI	Unit	2023	2024	2025 Target/Estimate
Realizing a Low-carbon			GHG emissions reduction achievement rate ¹⁾	%	282	314	100
Society	 Implementing carbon neutrality by 2045 	► Reducing greenhouse gas (GHG) emissions in line	Renewable energy consumption	MWh	66	123	137
-\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Carbon reduction across the value chain	with SBTi standards (46.2% in Scope 1 and 2 and 25% in Scope 3 by 2030, compared to the base	Sales share of sustainable products and services ²⁾	%	62 ³⁾	61	56 ⁴⁾
	· Environmental	year) • Expanding the proportion of sustainable products	Investment in low-carbon R&D ⁵⁾	KRW 100 million	36	26	17
(1)	management implementation	and services to over 60% of separate revenue	Green purchasing	KRW 100 million	7,376	7,621	7,375 ⁶⁾
			Environmental investment	KRW 100 million	411	452	4306)
Enhance the Quality of Life		► Talent development, enhanced R&D	Number of hires for future businesses and R&D	People	82	102	75
	· Talent development and	competitiveness, and improved organizational culture	Training cost per employee	KRW	250,935	286,205	310,977
Q Q	respect for human rights Building Safe Workplaces Creating value for local communities Maintaining a zero-fatality rate and reducing the Lost-time Injury Frequency Rate (LTIFR) by 5% annually (compared to 2023) Improving social value through global social contributions in connection with United Nation Sustainable Development Goals (SDGs)	Lost-time Injury Frequency Rate (LTIFR) by 5%	Organizational culture assessment (Culture index)	Points	76.3	80.0	80.08
00		ities Improving social value through global social	Employee LTIFR	Number/million hours worked	0.4137)	0.529	0.503
			Donation ratio linked to SDGs ⁸⁾	%	73	77	80
Building Stakeholder Trust	· Strengthening supply chain	Pexpanding ESS management in the supply chain and advancing quality control Strengthening ethical and compliance management under a zero–tolerance policy Promoting stakeholder–centered responsible	ESG evaluation rate of tier 1 suppliers	%	85	89	100
	capabilities • Quality management for customer satisfaction • Ethics and Compliance		Customer satisfaction	Points	81.3	84.0	88.0
			Ethics training completion rate	%	91	91	100
(8)_(8)	Management		Shareholder return rate ⁹⁾	%	18	39	25

- 1) GHG reduction rate in line with the 2045 net-zero and SBTi-based reduction standards
- 2) Application of EU Taxonomy based on the list of eligible economic activities
- 3) Revised disclosures were issued to reflect updated results from green/eco-friendly certifications at construction sites
- 4) Calculated based on the 2030 sustainable product and service sales goals of achieving 60% of separate revenue, with step-by-step annual milestones established accordingly
- 5) Investment in research projects aligned with the EU Taxonomy
- 6) Calculated based on projected revenue for 2025
- 7) 2023 data adjustments were made based on finalized results after the publication of the 2024 report
- 8) Percentage of donations related to UN SDG projects
- 9) (Dividends + Share Buybacks) / (Separate) Net Income * Shareholder return rate increased due to decreased net income in 2024

SUSTAINABILITY IN HDEC

Key ESG Achievements

Hyundai E&C evaluates its sustainability capabilities and internal improvement efforts by participating in various assessments, including the Dow Jones Best-in-Class Indices and the Korea Institute of Corporate Governance and Sustainability (KCGS). These activities have led to practical improvements in sustainability, with results disclosed externally. To support sustainable growth and strengthen ESG management, we are pursuing initiatives such as considering the broader adoption of renewable energy, developing a greenhouse gas management system, assessing human rights risks at project sites, increasing safety investments, and enhancing shareholder-friendly policies.

Environmental

Reducing Greenhouse Gas Emissions

Scope 1.2 emissions 250,681 tCO₂e in 2024 a decrease of 112.693 tCO₂e



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Increase in Sustainable Products and Services

KRW 10.123.619 million in 2024: Approximately a 4% increase from the previous year



Renewable Energy Supply Agreement

RE100, 500MW for Hyundai Motor Group RE100 and 260MW for others



Expanding Green Purchasing

KRW 762.1 billion in 2024: Approximately a 3% increase from the previous year



Social

Expanding Safety Management Investment

KRW 277.3 billion in 2024: Approximately a 16% increase from the previous year



Linking Supplier ESG Evaluations to Procurement Policy

Strengthening suppliers' ESG management to address supply chain risks



Expanding Smart Quality System Adoption

Introducing Q-Pocket, a smart integrated inspection system, and Q-Con, an Al-based concrete quality management system, at project sites

CSR Creating Social Impact

Achieved an SROI of KRW 1.62 billion, with employees contributing 10,329 hours to CSR activities



Governance

Strengthening Efficiency in Board Management

100% attendance rate by independent directors at board meetings



Supporting ESG Management of Subsidiaries

ESG training and system setup for domestic consolidated subsidiaries



Strengthening Shareholder-Friendly Policies

Setting a Total Shareholder Return (TSR) target of 25% or higher Increasing minimum dividend per share from KRW 600 to KRW 800



Fostering Fair Trade and a Culture of Ethics and Compliance

Received an AA rating in voluntary fair trade compliance



S&P Global CSA (Corporate Sustainability Assessment)

- ▶ Included in the Dow Jones Best-in-Class World for 15 consecutive years
- Included in the Dow Jones Best-in-Class Asia-Pacific for 15 consecutive years
- ▶ Included in the Dow Jones Best-in-Class Korea for 16 consecutive years



Carbon Disclosure Project (CDP)

- ▶ Received a Climate Change A- in 2024
- Included in the CDP Korea Hall of Fame for seven consecutive years
- ► Included in the Platinum Club* for four consecutive years
- * The highest recognition level, granted by CDP Korea Awards to companies that have maintained Gold Club status in the Climate Change category for over three



Korea Institute of Corporate Governance and Sustainability (KCGS)

► Total A in 2024 (7 consecutive years) Environmental: A Social: A Governance: B+



Institutional Shareholder Services (ISS)

- ▶ ESG Corporate Rating C+ ESG OualityScore Alert Environmental: 1 Social:1 Governance: 1
- * Lower scores imply relatively higher level of governance and low level of risks

Sustainalytics

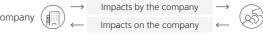
- ► ESG Risk Rating: 25.8
 - * Classified by ESG Risk Level Severe (40+), High (30-40), Medium (20-30),







Double Materiality Assessment





Society-Environment

Double Materiality Assessment Process

Hyundai E&C conducts annual materiality assessments to identify sustainability factors that significantly affect the company's business operations. This assessment follows the double materiality approach, which analyzes the potential and actual impacts of business activities on the external environment, and examines elements that may have financial impact on the company through related risks and opportunities. In forming the key issue pool, we reviewed internal and external documents, including our long-term goals and KPIs, investor suggestions, ESG rating indicators, and major issues among peer companies. For the quantitative evaluation of each issue's impacts, risks, and opportunities (IRO), the perspectives of stakeholders were reflected by surveying internal and external experts with deep understanding of the company's business activities, requests from investors, asset management firms, and analysts, and inquiries from clients. To assess the financial impact, we analyzed our 2024 investment and operating expenditure data. Based on the evaluation results, three issues that scored high in both social/environmental and financial impact were selected as material sustainability issues through an indepth review by the Board's Corporate Governance and Communication Committee.



E&C:Environmental: 7, Social: 8, Governance: 3)

Step 2 Identification

IRO Identification for Sustainability Topics

This step identifies the environmental and social impacts. as well as the financial risks and opportunities, associated with sustainability. To determine the issue impact pathways closely related to business activities, Hyundai E&C referenced 2.476 media reports relevant to the company in the current year, stakeholder suggestions including those from investors, industry research papers, disclosures by leading companies, and policies and regulations. Based on these, we defined 20 trigger factors on the environment and society, and 20 financial risks and opportunities for the company.

IRO Identification by Issue Pool Topic

1 Internal sources

Sustainability Report, Business Report, Corporate Governance Report

(2) External sources

Laws and regulations, industry trends, and media



Social · Environmental Impact: The potential impacts of business activities on the environment and society are categorized as Actual/Potential, Positive/Negative (four categories, 20 cases).

Financial Impact: The potential impacts on financial performance, cash flow, and capital are categorized into Risk and Opportunity (2 categories, 20 cases)

Step 3 Assessment

IRO Assessment for Sustainability Topics

To assess IROs related to sustainability topics, Hyundai E&C incorporated the EU ESRS requirements, defining the elements of social and environmental impact as scale, scope, irremediability, and likelihood, and the elements of financial impact as intensity and likelihood. To quantitatively evaluate these elements, we conducted internal and external surveys, expert evaluations, media analysis, stakeholder inquiries, and analysis of investment and operating costs, as well as investor and client queries—all based on a five-point scale. The magnitude of each IRO was then calculated by applying weighted values to each evaluation component.

IRO Assessment¹⁾

Social · Environmental Impact

Classification	Scale	Scope	Irreme- diability ²⁾	Likeli- hood ³⁾
External Survey ⁴⁾	٧	٧	٧	٧
Expert Evaluation	٧	٧	٧	٧
Media Analysis	V			
Stakeholder Inquiry				٧

Financial Impact

Classification	Intensity	Likelihood
Internal and External Survey ⁴⁾	٧	V
Investment and Operating Costs ⁵⁾	٧	
Investor and Client Inquiries ⁶⁾		V

Step 4 **Determine Material Topics**

Prioritizing Material Issues and Integration into Risk Management Process

Hyundai E&C identified key issues to be prioritized from social/environmental and financial impact perspectives based on the assessment results. The three key major material issues, representing impact, risk, and opportunity, were selected based on evaluation scores for each topic, after being reported to and approved by the Board's Corporate Governance and Communication Committee. These selected issues are reflected in the company-wide risk management strategy and guide efforts to mitigate negative impacts and enhance positive outcomes.

Prioritizing issue pool topics Final Score Calculation Method

Social · Environmental Impact likelihood)

Financial Impact

Major	1	Occupational safety and health
Materiality	2	Climate change
Issues	3	Quality management

- 1) Scale: The magnitude of impact on society and the environment
- Scope: The geographic or physical extent of the impact on society and the
- Irremediability: The extent to which a negative impact on society or the environment is reversible
- Likelihood: The expected time frame in which a potential impact may occur Intensity: The scale of potential financial impact on the business
- 3) Likelihood is assessed only for potential impacts.
- 4) The internal and external stakeholder surveys were conducted from February 13 to 19, 2025, with participation from 80 internal employees and 189 external stakeholders (including partners, HD Hyundai affiliates, government officials, media, academia, ESG experts/rating agencies, and capital market participants),
- 5) Comparison of Capex and Opex by sustainability issue
- 6) Based on inquiries from 20 investors and 47 clients

Double Materiality Assessment

Double Materiality Assessment Results

Hyundai E&C evaluated our impact on the environment and society, and the financial impact of ESG issues on the company, based on an assessment of 18 sustainability topics identified as relevant to our business activities. By comprehensively considering these results, we identified occupational safety and health, climate change, and quality management as high-priority material sustainability issues. For climate change, disclosures were prepared with reference to IFRS S2 (Governance-Strategy-Risk Management-Metrics and Targets), while other issues were addressed in this report based on the disclosure requirements outlined in the ESRS standards.

▲ Material Issues and Changes from the Previous Year

No	2025 Material Issue	Change	No	2025 Material Issue	Change
1	Occupational safety and health	▲ 1	6	Ethical and compliance management	▲ 3
2	Climate change	▼1	7	Waste management	▼ 2
3	Quality management	-	8	Human rights protection	New
4	Labor practices and organizational culture	▲ 7	9	Pollution management	▼ 2
5	Supply chain management	^ 5	10	Talent development and capability building	^ 2





Social/Environmental Impact

defect control, and penalty reductions.

Major Material Issue Management Status

trust and securing business competitiveness.

Material Issue	Business Case	Business Impact	Business Strategy	Target and I	Metric	Executive KPI Management
Occupational Safety and Health	Due to the nature of on-site work involving heavy equipment and physical labor, the construction industry has a higher accident rate compared to other sectors. Industrial safety incidents can significantly impact the lives of employees and their families, and with the enforcement of the Serious Accidents Punishment Act, companies also face heightened legal and operational risks.	Risk	To establish a strong culture of safety and health, Hyundai E&C has implemented safety standards and continues to reinforce its safety management system through regular inspections and training. We conduct monthly safety and health risk assessments, promptly address any nonconformities and follow up with effectiveness reviews. In addition, we have acquired the ISO 45001 and KOSHA-MS certifications, introduced smart safety systems (e.g., HloS and Al-based accident prediction), provided safety training for employees, and increased investment in occupational safety as part of our multifaceted efforts to prevent and minimize accidents.	[Target] Achieve a zero accident fatality rate and reduce the lost-time injury frequency rate (LTIFR) by 5% annually by 2030 (based on 2023 levels)	[Performance] Employee LTIFR: 0.529 cases (per million work hours) Fatality rate per 10,000 people: 0.36 ¹⁰ 1) 2024 estimate	Hyundai E&C incorporates occupational safety and health indicators such as fatality rates and serious accident occurrences into executive KPIs, accounting for 15% of the overall evaluation. In addition, safety indicators are reflected in the KPIs of all employees to raise awareness, strengthen accountability, and enhance execution across the organization.
Climate Change	With a global shift toward carbon neutrality, corporate responsibility and regulations for greenhouse gas reduction are being tightened, directly affecting revenues in the construction industry. As demand for low-carbon and ecofriendly products increase and the renewable energy market continues to expand, there are growing opportunities for eco-friendly business growth, such as high-efficiency buildings and renewable energy projects.	Revenue	Hyundai E&C has set a 2045 net-zero target based on SBTi certification and is implementing a phased action plan that includes building low-carbon site operations and enhancing a value chain collaboration to prepare for climate-related risks. At the same time, we are responding effectively to opportunities emerging from climate change, such as growing demand in the energy transition business, by expanding our eco-friendly portfolio and investing in green technology development.	[Target] Reduce greenhouse gas emissions in line with SBTi standards by 2030 (46.2% reduction in Scope 1 and 2, and 25% in Scope 3") 2024 Targets ²⁾ Scope 1: 340,676 tCO ₂ e Scope 2: 145,298 tCO ₂ e Scope 3: 8,852,169 tCO ₂ e 1) Target covers 67% of baseline Scope 3 2) Data revised based on SBTi-aligned targets	[Performance] 2024 Emission Scope 1: 137,450 tCO ₂ e Scope 2: 113,234 tCO ₂ e Scope 3: 5,198,461 tCO ₂ e	Executive KPIs also include quantitative reduction targets for greenhouse gas emissions and energy use, as well as performance under the GHG target management scheme, encompassing climate strategies, targets, and risk management. These elements account for 3-5% of the executive evaluation (4% for the CEO) and are linked to compensation, including incentives and annual salary.
Quality Management	Structural, mechanical, and environmental defects are likely to occur due to the involvement of multiple contractors and subcontractors across the design, construction, and maintenance processes. Such quality defects may result in injuries, property devaluation, or financial loss, Excellent quality management is essential for gaining stakeholder trust and securing business competitiveness.	Revenue	To ensure customer satisfaction and to deliver high-quality outcomes, we operate a phase-specific quality management system and implement improvement measures based on the requirements of clients and stakeholders. Company-wide quality policies and seven quality standards are in place to enable proactive quality control. We also conduct defect frequency assessments, manage post-completion issues, and offer a five-year free repair program to maximize customer satisfaction.	[Target] Customer satisfaction score: 85 in 2024, 88 in 2025, 90 in 2026, 92 in 2027	[Performance] 2024 score: 84	To improve quality, on-site evaluations and measures for preventing early and critical defects are included in the site-level KPIs. Quality-related targets make up 10% of the executive KPIs, and performance is managed continuously through goals set for site assessments, defect control and penalty reductions

APPENDIX

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Double Materiality Assessment

Double Materiality Assessment Results

Impacts of Hyundai E&C's Business Activities on Society and the Environment

Hyundai E&C quantitatively analyzes and manages the social and environmental impacts of its business activities. For the key material topics identified through the materiality assessment — Occupational Safety and Health, Climate Change, and Quality Management — we identified the areas and scope our business may affect, the stakeholders, and the resulting impacts of understanding the associated social cost is quantified and presented on this page. Other positive and negative impacts as well as financial impacts of ESG factors can be found in the Material Issues and Risks and Opportunities sections of this report. Hyundai E&C continues to measure the outcomes of ESG activities, allocate resources efficiently, and transparently disclose relevant information to promote sustainable management and enhance stakeholder value. Furthermore, we have established and actively implemented response measures to maximize ESG opportunities and minimize the associated risks.

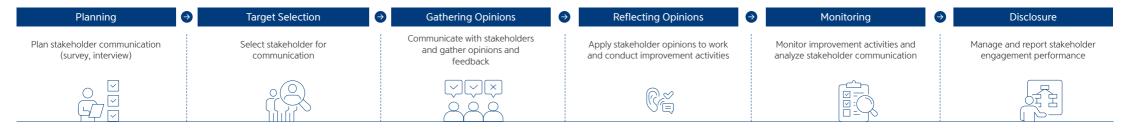
C	Category	Occupational Safety and Health	Climate Change	Quality Management
Cause	Value Chain	· Business operations · Supply chain	· Products/services	· Products/services
of the Impact	Business Activity Coverage	· Over 50%	· Over 50%	· Over 50%
	l stakeholders/ areas evaluated	· Society · Supply chain (supplier employees)	· Environment · Consumers/end users	· Society · Consumers/end users
Impacts	on Stakeholders	[Actual / Positive] Raising safety awareness in the construction industry by fostering a safe work environment and culture [Actual / Negative] Threats to life and property from safety incidents involving company and supplier construction workers at project sites	[Actual / Positive] Reduce building-related greenhouse gas emissions through eco-friendly technology development and energy transition projects [Actual / Negative] High GHG emissions from the use of materials and energy in business operations	[Actual / Positive] Enhanced client and customer satisfaction through interfloor noise-reduction technologies [Actual / Negative] Lower customer satisfaction and potential physical and financial damage, if quality defects occur
Out	put Metrics	2024 Fatality rate per 10,000 people ¹⁾ : 0.36 (2024 estimate; below the industry average) 1) Fatality rate per 10,000 people = The rate of occupational accident fatalities per 10,000 workers covered by industrial accident insurance	Hyundai renewable energy (offshore wind power) production: 234 GWh annually 2024 five buildings rated Grade 1++ energy efficiency were completed (total area of 476,411 m²)	Received a "Certified" rating for floor impact sound insulation performance in buildings (9,733households)
	Impact Valuation	Social Cost Caused According to studies on economic loss from industrial accidents, a worker fatality results in an average loss of KRW 2 billion, while a non-serious industrial accident results in KRW 10.2 million per person. Due to the physically demanding nature of construction work, our employees and supplier workers face heightened exposure to safety risks. Such incidents can cause not only health damage but also economic loss to society. In 2024, the total social costs from industrial accidents was KRW 3.66 billion.	Social Cost Avoided Hyundai E&C avoided approximately KRW 730 million in social costs by reducing GHG emissions through renewable energy production from completed energy transition projects. The Jeju Hallim Offshore Wind Power Project, completed in 2024, is expected to generate 234 GWh of renewable electricity annually. Hyundai E&C avoided approximately KRW 420 million in social costs by reducing energy use through the completion of buildings rated Grade 1++ or higher for energy efficiency. The buildings completed and put into use in 2024 are expected to save 28 kWh/m² per year.	Social Cost Avoided Hyundai E&C has developed H–Silent Home, a high-performance interfloor noise insulation material, to maximize customer satisfaction and provide high-quality residential services. This solution is being applied to housing complexes currently under construction. Based on newly completed buildings in 2024, 9,733 households are estimated to benefit from reduced social discomfort caused by inter-floor noise, resulting in an avoided social cost of KRW 530 million.
Impact	Impact Metrics	Number of Occupational Accident Fatalities ¹⁾ * Economic Loss per Fatal Accident ²⁾ = KRW 3.66 billion Number of occupational accident fatalities under the 2024 fatality rate per 10,000 people: 1.83 Costs reflect both direct expenses (medical care, temporary disability benefits, disability compensation, survivors' benefits, funeral expenses) and indirect costs (loss of work hours by coworkers due to work stoppage, welfare program losses, etc.), based on the study Economic Loss from Industrial Accidents by Park Chan-im and Lee Hae-choon (2018).	- GHG reduction from offshore wind power¹¹ X social cost of carbon emissions per ton of GHG²¹ X USD 51 = USD 5.39 million (approx, KRW 7.3 billion) - GHG Reduction from the use of Grade 1++ Energy–Efficient Buildings³¹ x social cost of carbon emissions per ton of GHG²¹ = USD 310,000 (KRW 420 million) 1) Based on the results from the GHG reduction calculator for external projects (the Korea Energy Agency's external projects under the emissions trading scheme in the industrial and energy transition sectors), annual offshore wind power generation of 234,000 MWh is estimated to reduce GHG emissions by 107,502 tCO·eq. 2) Based on the social cost of carbon emissions suggested in "A Study on Enhancing the Acceptability of Carbon Pricing System Reform" (Korea Institute of Public Finance, 2022) 3) Energy efficiency grade 1++ building area (476,411 m²) × energy reduction based on grade 1++ energy-efficient buildings compared to standard buildings (annually 89 kWh/m²) × GHG emission conversion factor (0.4594 tCO·eq/MWh)	Discomfort cost from inter-floor noise: KRW 54,442 per household per year X Number of households in newly completed buildings in 2024 (9,733) = KRW 530 million * The estimated cost of inter-floor noise inconvenience per household is KRW 54,442/ year according to the Korea Research Institute for Human Settlements Journal No. 58

Double Materiality Assessment

Stakeholder **Engagement**

Hyundai E&C defines seven key stakeholder groups based on business and functional perspectives and operates tailored communication channels for each group. We will continue to listen closely to stakeholders' voices, identify their concerns, and incorporate them into our sustainability management efforts to achieve sustainable growth through communication with stakeholders.

Engagement Process by Stakeholder



Communication Channel and Interests by Stakeholder Group

Stakeholder	Employee	Customer	Partner	Community · NGO	Government · Media · Trade Association	Shareholder · Investor	ESG Expert · Academia
Communication Channel	Intranet, blogs, YouTube Discussions with the CEO Employee engagement surveys Sustainability Steering Committee H-Dudrim Cyber Audit Office	Website, newsroom, blogs, YouTube Website, customer center (H-Dudrim) Customer Call Center Cyber Audit Office	Hi-Partner System · Win-win Management Committee, Win-win Growth Support Center Partner satisfaction survey Discussions with suppliers H-Dudrim Cyber Audit Office Safety e-Report	External social contribution committees Community meetings Community contribution activities Civic groups and environmental groups	 Discussions on policies Public hearings Press releases Trade association activities Cyber Audit Office 	Shareholder meetings Investment presentations IR meetings Disclosure information Investor Day	Sustainability Report Participating in external assessments ESG seminars and meetings
Interests	Improving customer satisfaction Creating a horizontal organizational culture Pursuing work-life balance Fair performance evaluation and compensation Fostering innovative talent Employee rights and diversity	Maximizing customer satisfaction through technology Innovations Enhancing contribution to tackling social issues Pleasant housing environment Sharing ESG policies of the supply chains of domestic and overseas accounts	Shared Growth Partnerships Fair trade, technology cooperation Supply chain ESG management Sharing information and technologies	Protecting the environment surrounding business site Reinforcing implementation of the 3 focal areas Enhancing contribution to tackling social issues	Compliance with laws and regulations Fulfilling social responsibility Improving transparency in tax payments Transparent disclosure of information through media	Building a sound governance structure Sharpening corporate competitiveness Increasing shareholder value Diversifying the business portfolio	Strengthening ESG disclosures Building a sustainability management strategy Expanding ESG integration

Double Materiality Assessment

Engagement

Stakeholder Communication

SOCIAL

Hyundai E&C is actively responding to domestic and international sustainability assessments carried out by players in capital markets such as the S&P Global, Korea Institute of Corporate Governance and Sustainability (KCGS), MSCI, ISS, and CDP, etc., and is strengthening our sustainability disclosures in line with GRI, ISSB, and SASB standards, as well as WEF Stakeholder Capitalism Metrics, Through online and offline communication with regulatory bodies, investment institutions, and non-profit organizations at home and abroad, we are listening to the opinions of our key stakeholders regarding our sustainability directions and reflecting them in our sustainability efforts.

Environmental

- · Collaboration on hydrogen city development in Seosan (Seosan City)
- · Establishing the RE100 Energy Solution Alliance cooperation system (Jeonbuk Special Self-governing Province, Saemangeum Development and Investment Agency, Gunsan City)
- · Joint PPA agreement with affiliates to implement carbon neutrality and secure renewable energy (Hyundai Glovis, Hyundai WIA, Hyundai Special Steel, Hyundai Capital, Hyundai KEFICO, Hyundai Transys)
- · Mutual cooperation for establishing the Gyeonggi RE100 trading platform (Gyeonggi Province, SixtyHertz, Enlighten)
- · Biodiversity garden project (Gangwon Special Self-Governing Province Nature Research Park, World Vision, etc.)
- · River ecosystem protection activities (Han-gang Social Cooperative, Environmental Action Association

Social

- · One-company-one-district partnership in Jongno-gu (Jongno-gu Office, Gahoe-dong Community
- · Support programs for marginalized groups in local communities (Jongno General Social Welfare Center, Seoul Senior Welfare Center)
- Mentoring programs providing education and scholarships for youth and college students in the Seoul Metropolitan Area (Future for Youth Foundation, ChildFund Korea)
- Energy welfare program for vulnerable groups and welfare facilities in Seoul
- (Seoul Climate & Environment Headquarters, Korea Energy Agency, Seoul Council on Social Welfare) Programs providing disaster safety education and distributing safety items for children
- (Plan Korea, Construction Industry Foundation for Social Responsibility) · Support programs for marginalized groups in local communities near overseas project sites (global NGO)
- · Labor-Management Council and Partner Meetings

Governance

- Communicating ethics management status (Government Pension Fund of Norway, ISS)
- Sharing ESG management status and policies with overseas clients
- ESG and IR communication with domestic and international institutional investors (National Pension Service, asset management firms, securities firms, Korea Listed Companies Association, Korea Investor Relations Service, Korea Association for Chief Financial Officers)
- General Shareholders' Meeting (investors, shareholders)
- · Hosting Investor Day (investors, shareholders)

(Based on the 2024-2025 timeline)

CASE

CEO Investor Day (March 28, 2025)

Hyundai E&C is actively engaged in communications with a wide range of stakeholders, including employees, clients, partners, local communities, government agencies, shareholders, and investors. In March 2025, we hosted the CEO Investor Day, with participation from the CEO and key executives. At the event, we unveiled our new growth strategy, "H-Road," aimed at realizing our vision and setting new standards in the construction industry, and presented our strategy to expand the energy business with a focus on nuclear power, along with financial targets and shareholder return policies, to major domestic and international investors and analysts. Additionally, we introduced an updated sustainability vision and strategy, reaffirming

our commitment to achieving sustainable growth alongside the environment and society. To further strengthen communication with shareholders and investors, Hyundai E&C discloses quarterly business performance data that include new orders and order backlogs by business segment, publishes IR materials on our website, and provides FAQs on corporate information, stock and financial matters. The IR and Sustainability Management Teams reflect demands from shareholders and investors, sharing updates on ESG efforts and improvement via various communication channels such as in-person meetings, conference calls, and email, as well as selecting sustainability-related material issues through investor inquiries.



MATERIAL TOPIC

ESRS-S1 ESRS-S2

Occupational Safety and Health

Hyundai E&C places safety as its top priority in sustainable management and is building its own safety culture. To establish an advanced safety and health management system aligned with international standards, we have acquired ISO 45001 and KOSHA MS certifications and manage all sites with the goal of achieving "Zero Serious Accidents." We also continue to invest in and build infrastructure to prevent accidents and ensure safe working environments.

Governance

BOD Management and Supervision on Safety and Health

Hyundai E&C's Board of Directors, its highest decision-making body for safety and health, oversees and manages safety- and health-related matters. The Board appoints the Chief Safety Officer (CSO), monitors performance biannually, and evaluates the CSO's execution of duties through its subcommittee, the Corporate Governance and Communication Committee. In 2024, the Board reviewed and approved three key safety and health issues, which are performance reports for the first and second halves of the year and a contribution to the Foundation for Industrial Safety Partnerships. This way, the Board continuously reviews the operational direction of the CSO's management system and ensures that the safety and health of all stakeholders. including clients, employees, suppliers, and workers, remain a top priority.

Safety and Health Organization

Hyundai E&C operates a safety and health management system led by the CSO. Dedicated organizations under the CSO, the Safety Management Group and the Safety Support Group, lead company-wide safety management by overseeing safety and health systems and policy coordination. In addition, each business division has its own safety and health unit responsible for company-wide safety initiatives, fulfilling safety and health obligations, building and operating safety and health systems, and reviewing and approving safety-related organizations, personnel, and budgets.



Occupational Safety and Health

Strategy

Interaction with Strategy and Business Model

Hyundai E&C conducted ESG materiality assessments in line with ESRS and IFRS standards, systematically identifying issues that significantly impact its corporate strategy and business model. The assessment found that Occupational Safety and Health poses major risks and opportunities to key stakeholders - including all workers regardless of job type, employment status, or affiliation - and is therefore a critical issue for the company's sustainable growth and management

Protecting the right to life of workers, a core element of Hyundai E&C's sustainability, is a prerequisite for business execution. Safety incidents can directly lead to project delays, damage compensation, legal sanctions, as well as financial risks such as reduced productivity and damage to brand trust,

Hyundai E&C sees securing workplace safety as a source of various business opportunities, including attracting talent, enhancing organizational trust, improving productivity, and reducing legal risks. Accordingly, safety and health are embedded as core components of the company's strategy and business model.

We are increasing proactive investment in safety, clarifying the roles and leadership responsibilities of executives in safety management, and incorporating safety and health impact assessments into major decision-making processes (such as project bidding and partner selection). Through this strategic approach, Hyundai E&C is prioritizing the safety of workers and stakeholders while also aiming to create long-term corporate value and strengthen competitiveness in global markets, including Europe.

Key Risks and Opportunities Related to Safety and Health

Hyundai E&C has identified safety and health management-related risks and opportunities that can be reasonably expected to affect the company's outlook and has outlined the associated potential financial impacts as follows.

Risks

Category	Identified Factors	Time Horizon ¹⁾	Impact on Business Model and Value Chain	Potential Financial Impact
		Short-term / Mid-term	Disadvantages in new project acquisition and business activities due to sanctions (e.g. work suspension) resulting from legal violations	· Increased expenditures to strengthen safety and health management systems for legal compliance
Physical	Occurrence of serious accidents and safety incidents	Short-term / Mid-term	Additional measures and response costs from safety incidents; construction delays caused by work suspension or business shutdown orders	Legal process costs (e.g. litigation, compensation, fines, and penalties) Business losses due to construction delays Reduced project acquisition opportunities due to bidding restrictions
Market	Safety management of supplier workers	Mid-term / Long-term	Increased risk of safety and health incidents involving vulnerable supplier workers, such as the elderly and foreigners	· Increased safety and health costs targeting supplier workers, such as the elderly and foreigners

Opportunities

Category	Identified Factors	Time Horizon ¹⁾	Impact on Business Model and Value Chain	Potential Financial Impact
Technology	Strengthened safety and health capabilities through the development of smart safety technologies	Mid-term / Long-term	Expansion of new business opportunities due to growing market demand for smart safety technologies (enhancing competitiveness in project bidding) Reduction in workplace accidents through application of smart safety technologies	Increased revenue through enhanced competitiveness in project bidding Cost savings from preventing industrial accidents (e.g., labor, compensation)
Institutional	Improved prevention of serious accidents through implementation of safety and health systems	Short-term / Mid-term / Long-term	Strengthened regulatory compliance capabilities Improved relationships with suppliers through the shared goal of a safe working environment	· Reduced additional costs through on–time project execution·Lower expenses by preventing potential accidents
Reputation	Gaining stakeholder trust through safety-focused management	Mid-term / Long-term	· Enhanced corporate reputation and brand value among clients, partners, and investors	·Decreased financing costs and improved ability to attract quality clients and investors

¹⁾ Reporting periods refer to Short-term: ~1 year, Mid-term: 1~5 years, and Long-term: 6 years or longer

Occupational Safety and Health

Strategy

Financial Impact from Risks and Opportunities

[Legislative and Policy-related Risk] Safety and Health Legislation such as the Serious Accident Punishment Act

Timing of Occurrence	Short-term / Mid-term	Likelihood of Occurrence	High			
Magnitude of Impact	High	Scope of Impact	Domestic			
Financial Impact	Act. Non-compliance may result in fines and restr to face lawsuits and business suspension, causin costs associated with strengthening our safety an	Hyundai E&C is required to comply with safety and health regulations, including the Serious Accidents Punishment Act. Non-compliance may result in fines and restrictions; in the event of a serious accident, Hyundai E&C may have to face lawsuits and business suspension, causing significant expenses and operational losses. We recognize the costs associated with strengthening our safety and health system to ensure compliance as a financial impact, which is reflected in the cost of sales in the income statement. The identified financial impact during the reporting period was KPW 211 hillion.				
Implications	Due to the nature of the construction industry, workers are exposed to a wide range of safety and health risks, including falls, accidents involving heavy equipment, collisions, and fires, resulting in a higher accident rate compared to other sectors. In response, governments around the world have introduced strict regulations to prevent accidents and imposed obligations on companies to ensure compliance with safety and health standards.					
Response Strategy		ng-térm investn	increasing as a result of strengthened safety and nent to prevent accidents and reduce risks. We will arough ongoing investment.			

[Physical Risk] Occurrence of Serious and Safety-Related Accidents

Timing of Occurrence	Short-term / Mid-term	Likelihood of Occurrence	High		
Magnitude of Impact	High	Scope of Impact	Global		
Financial Impact	During the reporting period, Hyundai E&C experienced three serious industrial accidents that led to temporary stoppages of work. However, the impact on project timelines and profitability was limited, as swift actions, such as deploying substitute personnel, helped prevent overall construction delays. Legal costs arising from such incidents—including litigation, compensation, fines, and penalties—are classified as financial impacts and reflected in the cost of sales on the income statement. The total financial impact related to legal procedures from industrial accidents during the reporting period amounted to KRW 90 million.				
Implications	Despite companies' proactive efforts to prevent accidents at the workplace, various on-site variables make worker injuries still possible. In particular, serious industrial accidents can cause project delays or suspensions, leading to increased costs and reduced profitability. Additionally, such incidents may result in higher industrial accident insurance premiums and additional expenses related to compensation procedures for injured workers. Additionally, a potential financial impact includes liquidated damages for uncompleted work due to suspension orders. These damages are estimated to reach up to approximately 0.51% of the project's total contract value ¹⁾ . There have been no cases of liquidated damages arising from actual project delays due to serious accidents and safety incidents.				
Response Strategy	We expect to gradually reduce the incidence of worker injuries on-site and mitigate their impact through active efforts to prevent accidents and continued investment in smart safety technologies.				

¹⁾ The average work suspension period due to serious safety incidents at two domestic sites was 23 days, Daily liquidated damages: Approximately 0,022% of the uncompleted portion of the project per day

[Market Risk] Safety Management for Supplier Workers

Timing of Occurrence	Mid-term / Long-term	Likelihood of Occurrence	High		
Magnitude of Impact	High	Scope of Impact	Domestic		
Financial Impact	Hyundai E&C defines the potential financial impact from increased safety management risks for suppliers' workers as additional costs for health and safety activities. These are reflected in the cost of sales in the income statement. During the reporting period, the total financial impact identified amounted to KRW 44 billion.				
Implications	Partners (including subcontractors and suppliers) play an essential role in Hyundai E&C's project execution. Given that a large portion of on–site workers are employed by partner firms, the quality of safety management among these partners is closely tied to Hyundai E&C's overall safety performance. Demographic shifts driven by declining birth rates and an aging population are also affecting the construction workforce. As a result, the proportion of older and foreign workers is rising, and these groups tend to experience higher accident rates and incident frequencies compared to other workers.				
	Hyundai E&C evaluates its partners' safety and health management systems during their registration and renewal each year. Before construction begins, a pre–approval system for initial risk assessments by partners is implemented, helping to establish a site safety activity system linked to risk evaluations. Additionally, we provide effective safety and health support for vulnerable supplier workers, such as elderly and foreign workers. Measures include strengthening the evaluation cycle for cerebrocardiovascular disease risk among elderly workers, and creating a monitoring system for older workers during Tool Box Meetings (TBM). Given that approximately 30% of supplier workers are foreign nationals, we also provide safety and health training using educational materials in their native languages, including				

Response Strategy



Chinese, Burmese, and Vietnamese.





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Safety Culture Training for Suppliers

Foreign Worker Safety Training

Occupational Safety and Health

Strategy

Financial Impact from Risks and Opportunities

[Technology Opportunity] Strengthening Safety and Health Capabilities through Smart Safety Technologies

Timing of Occurrence	Mid-term / Long-term	Likelihood of Occurrence	High		
Magnitude of Impact	Medium	Scope of Impact	Global		
Financial Impact	With the advancement of technologies such as AI, big data, and AR, the smart construction safety market is expanding rapidly. Statistics show that the market for smart construction safety accounted for 4.6% of the total construction industry in 2019, and it is expected to reach approximately 21% by 2030¹. Hyundai E&C views the active development and adoption of smart safety technologies not only as a way to maximize accident prevention in its own operations, but also as an opportunity to enhance safety and health capabilities and strengthen competitiveness in project bidding. Over the past five years, Hyundai E&C has invested approximately KRW 19.2 billion in smart safety and is pursuing the company—wide application of validated technologies.				
Implications	Smart industrial safety systems utilize advanced technologies such as AR, VR, Building Information Modeling (BIM), and avatars to simulate accidents and deliver preventive training. They also incorporate wearable devices and IoT technologies to prevent incidents, while CCTVs and drones are used for real-time monitoring of site conditions, helping ensure worker safety. These smart safety solutions improve the safety of construction sites significantly and play a key role in minimizing the risk of accidents.				
Response Strategy	Hyundai E&C plans to further strengthen its safety and health capabilities by developing smart safety technologies continuously, including the introduction of an automated hazard detection system for clamshell operations and an Al-based video recognition system to prevent worker entrapment.				

^{1) &}quot;Smart Construction Promotion Plan," Ministry of Land, Infrastructure and Transport (MOLIT), July 20, 2022.

[Reputational Opportunity] Earning Stakeholder Trust through Safety Practices

Timing of Occurrence	Mid-term / Long-term	Likelihood of Occurrence	High		
Magnitude of Impact	Medium	Scope of Impact	Global		
Financial Impact	Through safety management initiatives, we expect to strengthen trust and build a positive reputation among shareholders, investors, and clients. This is anticipated to improve our chances of winning contracts, reduce financing costs, and lower management expenses related to external communications and legal procedures.				
Implications	Hyundai E&C's diverse stakeholders are highly responsive to the company's level of safety and health management. By prioritizing safety and proactively strengthening protective measures, we can not only enhance our sustainability but also build external trust regarding our social responsibility and ethical business practices. In the long term, this trust in safety management will serve as the foundation for brand value, partnership opportunities, and competitiveness in attracting talent.				
Response Strategy	Hyundai E&C strengthens trust through transparent and proactive communication with stakeholders, including clients, partners, and investors. The company also operates tailored safety initiatives and support programs that reflect the specific needs of each key stakeholder group.				

[Regulatory Opportunity] Preventing Serious Accidents through Safety and Health Policies

3	,				
Timing of Occurrence	Short-term / Mid-term / Long-term	Likelihood of Occurrence	High		
Magnitude of Impact	High	Scope of Impact	Global		
Financial Impact	As the rate of serious accident prevention increases, both direct losses (such as compensation and fines) and indirect losses (including construction delays, business interruptions, costs of investigation and recovery, and reduced productivity) from industrial accidents are expected to decline. Timely project execution helps minimize delays and rework, improving profitability. In addition, a decline in industrial accidents will help reduce various costs associated with accidents, including lower industrial accident insurance premiums. If the number of work-related fatalities reaches three or more over a period of three years, the insurance premium discount based on the balance ratio is reduced ¹⁾ . However, if the number remains below three, Hyundai E&C can receive a premium discount from the standard industrial accident insurance rate for the construction industry, which is 3,6%.				
Implications	environmental accidents" for all employees an safety and health programs, including the desig	d suppliers' wo nation of 12 cor strengthen cor	and aims to achieve "zero serious safety and rkers. To this end, we are implementing various e safety rules and the establishment of a unique mpliance with laws such as the Serious Accidents ing to prevent accidents.		
	Hyundai E&C enhances safety and health awaren suppliers' workers by establishing a safety train a safety culture experience center, contribut accidents. We are committed to creating a safe promoting compliance with basic safety rules such	ing system and ing to the prev working enviro	operating vention of onment by		



suppliers' workers by establishing a safety training system and operating a safety culture experience center, contributing to the prevention of accidents. We are committed to creating a safe working environment by promoting compliance with basic safety rules such as site housekeeping and conducting various activities, including the "Slip Prevention" campaign. We also renew international safety and health certifications such as ISO 45001 continuously and strive to build our safety and health management system in alignment with legal and regulatory requirements.



Slip Prevention Campaign

1) Balance ratio = (Total insurance benefits paid over the past 3 years / Total insurance premiums over the past 3 years) \times 100

Occupational Safety and Health

Risk Management

Safety and Health Policy

Hyundai E&C places safety and health as the highest priority in all business activities and is systematically establishing goals and strategies to uphold this value. In the first half of 2024, we developed a comprehensive Safety and Health Policy covering stakeholders across the entire value chain, including employees, vendors, and partners. In the second half, the policy was integrated into training programs for employee and partners and organizational operations to enhance implementation. Additionally, Hyundai E&C's Chief Safety Officer (CSO) declared the safety and health of all stakeholders – including clients, employees, partners, and workers - as a top priority. The CSO also publicly shared the company's principles for realizing our safety and health values on the corporate website, reinforcing transparency and trust.

Safety and Health System Operation

Hyundai E&C aims to build a safety and health system that meets global standards. We have acquired ISO 45001 and KOSHA MS certifications and, as of 2004, have applied them across all worksites. The occupational safety and health management system is applicable to all workers regardless of job type, employment status, or affiliation. In particular, for suppliers with a high incidence of accidents, we have established a self-regulatory prevention system and strengthened activities to prevent unsafe behaviors and manage vulnerable areas, thereby continuously advancing an integrated and consistent safety and health management framework across all sites.

To reinforce our safety management system, we apply 99 management standards and 82 technical standards. The management standards include regulations for operating local safety and health councils, enabling ongoing on-site discussions and improvements. The technical standards include safety guidelines for traffic control to ensure thorough traffic safety at construction sites. This stringent safety management system reflects Hyundai E&C's commitment to accident prevention and the protection of employees and stakeholders' health, serving as a critical foundation for sustainable management.

▲ Guidelines and Goals for a Safe and Healthy Work Environment



▲ ISO 45001, KOSHA-MS Certifications



Certified Standard: ISO 45001 Certification Body: LRQA Scope of Certification: Entire business operations and support departments Validity Period: Until Dec. 31, 2007



Certified Standard: KOSHA-MS Certification Body: Occupational Safety and Health Agency Scope of Certification: Entire business operations and support departments Validity Period: Until Nov. 21, 2027

Safety and Health Training

Hyundai E&C is promoting company-wide safety and health training. At least one training session is provided each quarter for executives, team leaders, and site managers, A construction-specific safety leadership program has also been institutionalized to further strengthen safety leadership. Both legally required and internally developed training programs are offered for workers. The Safety Culture Experience Center at Hyundai E&C's Technical Training Institute integrates smart safety features such as AR and VR. It includes 10 zones and 50 experiential modules covering major safety and health topics in construction, Participants can receive hands-on training in a wide range of topics, from equipment safety, first aid, health management, confined spaces, work at heights, temporary structures, fire prevention and work environment, to electrical safety. In 2024, the center conducted 217 training sessions for 4,774 participants, including employees from the headquarters and sites, suppliers' workers, public institutions, and government agencies. Recognizing the effectiveness of practical training, Hyundai E&C has expanded the scope of the program to include on-site field experience, introducing training components previously unavailable on-site, such as VR-based modules, CPR practice, and audiovisual materials on past incidents. Additionally, to facilitate the onboarding of new safety and health personnel, the company emphasizes job training and provides easy access to information on safety, health, and job responsibilities through the Newcomer Guide Map, Hyundai E&C is committed to enhancing the training system continuously to embed a strong safety and health culture throughout the organization.



Safety Culture Experience Center

▲ Key Safety and Health Training Program in 2024

Category	Name of Training Program	Target Participant	Number of Participants	
Legally Required Training	Job Training on Safety and Health	Site managers, safety managers, health managers, partners' site managers, partners' safety managers	1,117	
	Regular Training	Supervisors from Hyundai E&C and partner firms, headquarters staff, office workers at domestic sites	29,269 ¹⁾	
	Training upon Hiring New Employees	Newly hired employees	2,061 ²⁾	
	Training upon Job Change	Employees transferred to new worksites	1,142	
	Executive Safety Leadership	Executives, domestic site managers, overseas officers	753	
	ISO 45001		3	
	Root Cause Accident Investigation and Analysis	Headquarters staff	1	
	Cofety College Francisco	Internal employees	3,130	
Internal	Safety Culture Experience	External stakeholders including clients	1,644	
Training	Supplier TBM	Suppliers in the bottom 10% for TBM implementation rate	122	
	Safety Training for Foreign Workers	Foreign workers (China, Vietnam, Myanmar) at domestic sites	27,982	
	Specialized Training by Korea Occupational Safety and Health Agency	Headquarters staff	20	
	Safety Training for New Employees	2024 new intern employees	109	

- 2) Newly hired non-regular workers at project sites included

Occupational Safety and Health

Risk Management

Establishment, Development, Promotion, and Evaluation of Safety and Health Management Culture

Hyundai E&C has established and operates 12 core safety rules to systematically build a safety and health culture. The principles consist of pre-risk management through a work permit system; ensuring safe working conditions such as the use of personal protective equipment, electrical safety inspections, gas concentration measurements, prevention of spark scattering during hot work; promotion of safe behaviors such as using only designated passageways, avoiding access beneath lifted objects, not disabling safety devices on construction equipment, and restricting access to installation/dismantling zoness and establishing basic order through rules such as prohibiting alcohol consumption, smoking outside designated areas, and mobile phone use on site. Based on these safety rules, Hyundai E&C is promoting a prevention–focused safety and health culture across all sites and reinforcing a practical safety management system through regular inspections and training.

Safety and Health Performance-Based Incentive System

Hyundai E&C has integrated safety performance indicators into the employee evaluation system to strengthen safety management. Each division's KPI reflects safety performance at a 15% ratio, and for executives, safety management performance is directly tied to compensation to enhance accountability. Additionally, 20% of the common KPI for all employees is allocated to safety, improving the accuracy of individual performance evaluations. We also provide incentives for employees at zero–accident sites. Incentives are awarded quarterly to employees who meet safety mileage standards at such sites, and sites with outstanding safety performance are rewarded semiannually.

Rewards are also granted for achieving zero accidents across all processes to encourage employee participation in safety activities. This system presents clear quantitative goals and responses for safety activities and contributes to effective risk management by measuring performance. Accidents are being prevented through preemptive identification and reporting of risks. These efforts play a vital role in creating a safe working environment and spreading a culture where employees voluntarily practice safety.

Supplier Incentive Program

Hyundai E&C encourages workers' voluntary participation to raise safety awareness and promote safe behaviors. The "H–Safety Wallet" program is a point–based incentive system that rewards workers for protecting their own safety or that of their colleagues. Employees earn points by participating in safety activities such as certifying zero–accident performance, attending TBMs, viewing safety information, and reporting risk factors. Since its launch in May 2022, the program has reached a cumulative payout of KRW 5.4 billion and 260,000 members as of Q1 2025. It is recognized as a key employee engagement initiative that strengthens Hyundai E&C's safety capacity by contributing to a safety culture.

In addition, Hyundai E&C reduces suppliers' safety management burden by operating the "50% Advance Safety Management Cost Payment" system to support their initial site preparations. Under this program, 50% of safety management expenses specified in the subcontract is paid in advance at the start of the project, helping reduce financial strain and enabling thorough safety management from the early stages of construction. A total reward of KRW 242 million was awarded to 47 small— and medium—sized suppliers that achieved zero accidents across all work phases. In addition, Hyundai E&C does not require a separate return guarantee for prepaid safety costs to suppliers, allowing them to use the funds for on—site safety management even if they face financial difficulties, and preventing situations where they would have to forfeit the advance payment. Through these efforts, Hyundai E&C continues to foster a safe working environment.

Stakeholder Participation

Operation of the Safety e-Report and H-Dudrim

Hyundai E&C operates the Safety e-Report system to gather stakeholders' inputs on safety and health issues, helping to mitigate on-site risks and create safer working environments. Through this system, field workers can report safety violations, request work stoppages, and submit suggestions, concerns, or commendations related to safety and health. In 2024, a total of 11,980 reports were submitted, including 6,890 safety suggestions and 1,247 work stoppage requests—all of which were addressed with a 100% resolution rate. The H-Dudrim platform is also used to collect various safety-related complaints and opinions. In 2024, Hyundai E&C resolved all safety-related reports submitted through the platform by clients, suppliers, and employees.

Operation of the Right to Refuse or Suspend Work

Hyundai E&C prioritizes the safety and health of its workers by operating systems that allow them to refuse or suspend work. The Right to Refuse Work system focuses on preventing accidents by excluding workers in poor health or vulnerable conditions from tasks in advance. Workers can verbally notify team leaders, supervisors, or safety and health managers before starting work, or submit reports easily through the H–Safety Wallet platform's e–Report system. Once approved, workers are compensated with half of the day's remaining wage, and those who voluntarily report health issues are protected from any personnel disadvantages. Through this system, Hyundai E&C aims to build a foundation for a safe and healthy working environment

The Right to Suspend Work allows workers to stop work and evacuate when there is a reasonable chance of imminent danger, such as an industrial accident, to protect their safety and health. Hyundai E&C has categorized Seven Types of the Right to Suspend Work, thereby enhancing its practical effectiveness.

▲ Seven Types of the Right to Suspend Work



Occupational Safety and Health

Risk Management

Actions to Mitigate Safety and Health-Related Risks

Hyundai E&C provides safety and health training, conducts regular and ad-hoc safety inspections, reviews annual emergency response systems and accident response processes, and holds regular safety workshops to share key safety and health issues across the company and gather feedback from project sites.

Moreover, Hyundai E&C applies smart safety technologies at sites to improve safety at the workplace. Various technologies, including safety monitoring CCTV, an integrated control system for construction lifts, and Al–powered anti–entrapment cameras, help establish an optimized safety management system.

Advanced Safety Inspection

To enhance safety inspections, Hyundai E&C conducts cumulative analysis of inspection and workshop results to identify practical, data–driven improvement measures and detect on–site issues and risk factors. These findings are reflected in the annual business plan, contributing to safety and health strategies, institutional improvements, and system enhancements. A total of 268 preemptive inspections were conducted at all domestic sites to diagnose implementation status, and safety patrols were deployed to suppliers with risk assessment issues or recurring violations for intensive management. In addition, 2,184 site inspections were conducted, including construction machinery and equipment checks and special inspections by headquarters staff, to thoroughly verify the implementation of the safety and health management system. Dedicated equipment managers were assigned to each site, working with 10 in–house experts to support inspections and training, thereby enhancing equipment management capabilities. When registering or renewing partner companies, Hyundai E&C evaluates the implementation level of their safety and health management systems, applying a 20% weighting for new registrations and 30% for renewals. Based on the 2024 evaluation results, the bottom 5% of partners were provided with safety and health training and consulting support from professional institutions to help establish robust safety and health systems.

Smart Construction Safety System

Hyundai E&C strengthens on–site safety by developing and deploying Al–based safety systems. Given the high noise levels and the wide distribution of workers at underground sites, complete reliance on signalers is insufficient for alerting workers to danger. This system detects movement in stages using two sensors – one on the surface and one underground – and accurately tracks the clamshell's motion. When movement is detected, it activates sirens, warning lights, and alerts automatically to inform workers of potential danger, thereby preventing entrapment or falling objects. The introduction of the Al–based Video Recognition System for Prevention of Entrapment has effectively enhanced worker safety. This system uses Al technology to distinguish between people and objects, issuing alerts only when a person approaches heavy equipment. Smart construction robots also contribute to accident prevention. Equipped with autonomous navigation tailored to construction environments, they inspect hazardous or hard–to–access areas in place of human workers.







Inspection of TBM tunnel site using robotics

Safety and Health Risk Management

Risk Assessment System

As revisions to relevant laws under the Serious Accident Reduction Roadmap have heightened the importance of risk assessment, Hyundai E&C operates a comprehensive evaluation system to identify hazardous factors and minimize risks. Risk assessments are conducted across all processes on a monthly, weekly, and daily basis, in close collaboration with suppliers to ensure an integrated approach. A dedicated safety and health IT system has been implemented to build a risk assessment database, and occupational safety standards have been integrated into procurement and contract requirements to unify the risk management framework. In 2023, the framework was overhauled to support the systemization of supplier-led risk assessments, allowing suppliers to submit initial risk assessments directly through the Hyundai Project Management System (H-PMS). Safety activities by supervisors and workers are reflected and approved in real time. Hyundai E&C and its suppliers also identify risk factors jointly and communicate them to workers through the Permit-to-Work (PTW) system and Toolbox Meetings (TBM), thereby reinforcing proactive risk mitigation at construction sites.

Risk Assessment Follow-up Measures

To eliminate on-site safety risks proactively, Hyundai E&C systematically identifies hazards in collaboration with suppliers and workers and establishes countermeasures based on the severity of risk and the scope of potential impact. For high-risk tasks and factors, we establish safety measures as a top priority, and for key control items, we register whether improvements are made, and track and manage their progress. We also respond promptly to real-time risk factors through the Right to Suspend Work and nonconformance reports. After all corrective actions are completed, a final decision is made on whether to resume work. Going beyond responses to individual incidents, we advance preemptive safety management by analyzing accident data to develop a recurrence prevention system based on risk assessment and by strengthening direct inspections of company-wide common risk factors.

▲ Risk Assessment Inspection Result in 2024

(Domestic sites only)

Category	Recurrence Prevention Measure	Adequate	Inadequate	N/A	Action Rate
Risk Assessment across All Processes	Revision, review, and approval status of assessment forms and registers	152	47	0	100%
	Appropriateness of the contents in the assessment forms	150	49	0	100%
	Risk reassessment following accidents	120	15	64	100%
Monthly Risk Assessment	Implementation status of monthly pre-risk assessment meetings	55	144	0	100%
	Submission and revision status of monthly risk assessments	94	105	0	100%
	Supervisor review/approval	116	83	0	100%
	Omission of subcontractor risk assessments and registers for specific processes	117	81	1	100%
	Risk reassessment following an accident	114	20	65	100%
	Key recurrence prevention measures (based on analysis of internal accident cases) Inclusion status in risk assessment forms and registers	133	65	1	100%
	Safety e–Report "Reports / Suggestions / Interests" Items Inclusion status in risk assessment forms and registers	18	1	180	100%

Occupational Safety and Health

Risk Management

Safety and Health Risk Management

Strengthening Emergency Response Capabilities

Hyundai E&C continues to strengthen our emergency response system, ensuring swift action during emergencies and minimizing human and material damage. We conduct four comprehensive emergency drills each year based on various scenarios such as fire, terrorism, and accidents related to the transportation of hazardous chemicals at each worksite. After each drill, outcomes are evaluated and analyzed to identify and improve any issues related to emergency response.

▲ Accident Response Process

Category	Description
Initial Response	Report to 119 and hospitals and activate emergency situation room Control personnel and vehicle access, preserve the site, and stop work
Initial Report	Report the accident immediately to relevant internal departments Report to external parties such as the Ministry of Employment and Labor, the police, and the Ministry of Land, Infrastructure and Transport within 24 hours
Accident Investigation and Interim Report	 Prepare and plan accident investigation Collect information and conduct site investigation and inspections Analyze the accident and root causes, build and implement improvement measures Input details to the H-PMS (internal system) accident investigation program
Final Report	Report accident investigation to CSO and BOD Share outcome with the entire company and implement preventive measures Submit accident investigation reports and workplace incident report form to external institutions

Safety Accident Response

In response to a serious industrial accident that occurred in February 2024, Hyundai E&C took immediate action by conducting a cause analysis and completing remedial and preventive measures.

The incident involved a fall that occurred during an elevator gang form lifting operation. After the incident, the injured worker received emergency first aid and an initial investigation was launched immediately in accordance with our accident response process. Personnel from the Safety Management Division and relevant departments were dispatched promptly to the site to provide emergency relief, preserve the site, and suspend work operations—all coordinated to prevent secondary accidents. Based on the findings of the cause analysis, we established and implemented recurrence prevention measures across three areas: engineering, managerial, and training, Preliminary review and approval, as well as implementation procedures for related operations were also strengthened and incorporated into internal standards. Training programs were conducted for the site manager, field workers, and those involved in the operation to enhance their competencies, and safety inspections at the site were reinforced to reduce the likelihood of future incidents. In addition, oversight of suppliers was strengthened by intensifying sanctions on those with repeated high-risk violations or delayed implementation of safety risk improvements. We are also reviewing appropriate relief measures for the affected individuals.

Prioritizing the safety of employees, supplier workers, and their families, Hyundai E&C strives to respond quickly to accidents, fully cooperating with the authorities in the investigation, and is committed to enforcing stricter safety management to prevent recurrence of similar accidents

Risk Factors and Recurrence Prevention Measures by Major Accident Type

To manage safety-related risks, Hyundai E&C classifies all incidents by construction and accident type, and analyzes the causes from technical, institutional, and managerial perspectives to establish recurrence prevention measures. These analyses are managed systematically through the internal IT system, and risk levels are reassessed following any incident. The "Accident Case Sharing" initiative raises safety awareness among employees by communicating the causes, analysis results, and preventive actions across the company.

Major risk factors include the tipping over of people and equipment, entrapment, falling materials, and falls. Hyundai E&C prioritizes these risks and formulates specific plans and countermeasures including promoting a safety culture through campaigns to prevent tipping and entrapment; improving the deployment of flaggers and signalers and enhancing the visibility of signaling devices; reinforcing safety-oriented control and enhancing compliance for fall prevention; and revising and distributing standardized regulations for the installation of temporary safety structures. Moreover, the company-wide introduction of smart airbags, designed to minimize injury in fall incidents where workers are unable to wear safety belts, reduces harm from such accidents.

Category	Key Accident Factors	Prevention Measures
Tipping Over (Personnel/ Equipment)	Poor housekeeping Absence or improper installation of safety facilities Failure to conduct pre-inspections of equipment travel paths	Promote safety culture through the "Fall Prevention Campaign," encouraging housekeeping and securing safe passageways Review lifting capacity and inspect ground conditions in operating zones prior to lifting operations Identify work procedures and potential hazards in advance and communicate/train workers accordingly
Entrapment	Signal miscommunication between operators and signalers Inadequate access control in equipment operation zones	Strengthen access control in equipment operation zones Ensure two-way communication systems between operators and signalers Mandate safety devices such as backup alarms and rear-view cameras
Falling/Flying Objects	Inadequate installation or management of temporary safety facilities and structures Non-compliance with work procedures	Establish work procedures that address obstacles related to the construction process and working environment.— Upgrade monitoring systems in hazardous zones (e.g., using CCTV and Al- based video equipment)
Falls (from height)	Inadequate installation or management of temporary safety facilities and structures Non–compliance with work procedures	Operate a head office approval system before installing work platforms in elevator pits Install separate anchorage systems around openings Strengthen safety standards for fall–risk tasks such as work in elevator pits and on suspended scaffolds– Mandate carabiner type replacement and use of suspension trauma straps for suspended scaffold workers
Common	-	Conduct audits for 100% compliance with core protocols and equipment management guidelines – Advance the risk assessment system and implement IT-based safety management Establish a safety and health leadership program Improve compliance with body camera usage Strengthen management standards for super-aged workers

Occupational Safety and Health

Metrics and Targets

Metrics

Category			Unit	2021	2022	2023 ³⁾	2024
Investments in Safety Management			KRW 100 million	1,349	1,658	2,399	2,773
Percentage of Employees Covered by the Occupational Health and Safety Management System		%	100	100	100	100	
	Total		Cases	286	344	462	628
		Sub-total	Cases	14	35	45	60
		Domestic	Cases	12	30	33	5
		Death	Cases	0	0	0	(
	Employees	Injury	Cases	12	30	33	5
		Overseas	Cases	2	5	12	ç
		Death	Cases	0	0	0	
Lost Time Injury Cases (Number of Incidents)		Injury	Cases	2	5	12	8
,		Sub-total	Cases	272	309	417	568
		Domestic	Cases	263	302	412	554
		Death	Cases	5	3	3	2
	Suppliers	Injury	Cases	258	299	409	552
		Overseas	Cases	9	7	5	14
		Death	Cases	0	0	0	(
		Injury	Cases	9	7	5	14
Fatality Rate Per 10,000 People			‱	1.39	0.63	0.39	0.36
LTIFR ¹⁾	Employees		Cases/million hours	0.142	0.327	0.413	0.529
LIIFK"	Suppliers		Cases/million hours	1.695	1.982	2.254	2.741
OIFR ²⁾	Total		Cases/million hours	0.550	0.651	0.780	1,268

* The disaster rate and number of incidents for 2024 may be updated after the final results of industrial accident calculations by the Ministry of Employment and Labor, based on March 31, 2025,

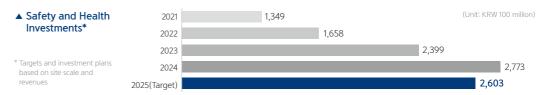
Targets

To achieve zero serious accidents, Hyundai E&C has established and manages targets for lost time injury frequency rates not only for ourselves but also for suppliers, along with implementation rates for the Right to Suspend Work and the Safety and Health e–Report system. Based on the 2024 injury rate of 0.529, we aim to reduce the rate further by 5% annually compared to the previous year. In addition, we are targeting a 100% implementation rate for both the Right to Suspend Work and the Safety and Health e–Report system by 2026. The establishment and execution of these targets have enabled us to consistently maintain lower injury rate and fatality rate per 10,000 people¹⁾ than the industry average for construction.

Category	Unit	2024	2025	2026	2027
Lost Time Injury Frequency Rate (LTIFR) for Hyundai E&C	Cases/million hours	0.529	0.503	0.477	0.454
Lost Time Injury Frequency Rate (LTIFR) for Suppliers	Cases/million hours	2.741	2,604	2.474	2,35
Fatality Rate Per 10,000 People	% ‰	0.362)	0.34	0.32	0.31
Safety e-Report Action Rate	%	100	100	100	100

1) Fatality rate per 10,000 people for general construction companies: 1,98‰ (based on 2022 data, Korea Occupational Safety and Health Agency)

²⁾ Estimate, The 2024 injury rate is subject to change upon final confirmation by the Ministry of Employment and Labor based on the industrial accident statistics as of the end of March 2025.



Monitoring and Review of Safety and Health Targets

Hyundai E&C monitors the progress of the targets on a quarterly basis and uses the 2025 safety and health objectives and guidelines to assess performance. In 2024, to evaluate the implementation status of these targets, we analyzed progress across four key areas: safety and health culture, field–centered activities, self–regulatory prevention, and management of high–risk periods – ensuring consistent monitoring and review on the execution of targets.

▲ 2024 Safety and Health Target Implementation Status Analysis

① Safety and Health	② Field-centered	③ Self–regulatory	Management of
Culture	Activities	Prevention	Vulnerable Periods
Enhance the unsafe behavior management system Establish customized safety and health training plans	Strengthen on–site accident prevention and related capabilities Improve the safety and health evaluation system	Advance the risk assessment and related systems Enhance functionalities of the platform for worker safety and health	Strengthen management systems for high-risk periods and vulnerable groups Improve health management capabilities and oversight of vulnerable groups

¹⁾ Lost Time Injury Frequency Rate e = (Number of incidents with lost time injuries × 1,000,000 (hours)) / annual work hours

²⁾ Occupational Illness Frequency Rate = [Number of occupational illness ×1,000,000 (hours)] / annual work hours

³⁾ Data for 2023 was modified to reflect confirmed outcomes following issuance of the 2024 Report

^{*} Fatality rate per 10,000 people, which indicates serious accidents, has been declining continuously. The increase in the lost time injury frequency rate is mainly attributed to a higher proportion of minor incidents (e.g., trips and falls) in the workplace. This reflects our proactive approach to managing even minor cases, indicating an overall improvement in our safety management. The injury rate is also expected to gradually decrease going forward.

MATERIAL TOPIC

ESRS-E1 IFRS-S2

Climate Change

Hyundai E&C is striving to address the rapidly intensifying climate change. We face transition risks stemming from stricter greenhouse gas regulations, such as inclusion in the Emissions Trading Scheme (ETS), declining demand for high-carbon projects, and rising prices of carbon-intensive raw materials, as well as acute and chronic physical risks caused by typhoons, floods, heavy rainfall, and rising average temperatures at construction sites. To manage these challenges, Hyundai E&C is undertaking a wide range of response measures across our business operations and value chain. Concurrently, we are working to turn these challenges into opportunities by exploring new eco-friendly business areas such as Zero-Energy Buildings, offshore wind power, SMRs, CCUS, and electricity brokerage trading. Hyundai E&C is committed to achieving carbon neutrality across our value chain by 2045 in line with our SBTi Near-term certification.

Governance

Decision-Making Body on Climate Risks and Opportunities

The Corporate Governance and Communication Committee (CGCC) is the decision–making body responsible for overseeing climate–related risks and opportunities. As a subcommittee composed of directors appointed by the Board of Directors, one of its key roles is to review and approve major non–financial management issues, including those related to environment, social, and governance (ESG). These responsibilities are defined in the committee's operating regulations, under which it performs deliberations and decides on significant climate–related matters to manage and supervise associated risks and opportunities. Hyundai E&C's Nominating Committee for independent directors evaluates candidates' capabilities, including expertise in sustainability issues such as climate change. The CGCC possesses the capacity to supervise the company's strategic responses to climate–related risks and opportunities. For more information on the board composition and competencies, refer to "Corporate Governance" (p.97).

Reporting Methods and Frequency for the Decision–Making Body's Oversight of Risks and Opportunities

The CGCC receives information necessary for effective oversight of climate–related risks and opportunities from the Sustainability Steering Committee, which reports at least twice a year on non–financial matters related to ESG, such as the establishment and revision of environmental policies, performance of the Sustainability Management Team's initiatives including climate action, and the results of materiality assessments. These reports help the committee monitor the company's response to climate–related risks and opportunities. On February 21, 2024, the CGCC was briefed on the company's sustainability performance in 2023, the action plan for 2024 including climate–related issues, and the establishment of ESG KPIs and materiality assessments for 2024. On July 19, 2024, it received a report on the main contents of the 2024 Sustainability Report. The CGCC may also request the attendance of relevant employees or external experts at meetings as well as the submission of materials or statements, as needed. Additionally, external advisors with specialized knowledge may be appointed to provide further support.

Decision-Making Body's Consideration of Risks and Opportunities in Major Corporate Decisions and Oversight Activities

Climate change risks are comprehensively considered in Hyundai E&C's major decision-making processes, including key transactions and strategic planning by the company's decision-making body. We define climate-related risks and opportunities based on the risk classification framework recommended by the TCFD and categorize their potential financial and non-financial impacts in detail. Each risk and opportunity is assessed based on ① likelihood of occurrence, ② magnitude of impact, and ③ financial implications. Among the identified risks and opportunities, those deemed to have significant impact on the company are classified separately and utilized in relevant decision-making and oversight processes.

Oversight of Goal Setting and Monitoring of Progress by the Decision-Making Body

Hyundai E&C's climate-related goal of achieving carbon neutrality by 2045 was reviewed and approved by the CGCC on October 26, 2022. The committee monitors the progress of this goal by receiving annual reports from the Sustainability Steering Committee. These reports include quantitative and qualitative performance metrics, as well as implementation status and key achievements related to the 2045 carbon neutrality target.

Oversight of Goal Setting and Monitoring of Progress by the Decision-Making Body

The Sustainability Steering Committee, led by the CFO and established by the Corporate Governance and Communication Committee under the Board, is responsible for monitoring and managing climate-related risks and opportunities. The committee addresses these matters at the company-wide level, regularly discussing key ESG issues, including climate change, safety and health, and fair trade, to supervise and respond to risks and opportunities related to climate change.



Business Division	Procurement	R&D	Sustainability	Environmental
Dusiness Division	rrocurement	Nab	Management	Management
Operation of carbon reduction measures	Sustainability due diligence for the supply chain	Development of low-carbon technologies	Management of carbon neutrality targets	Site-level environmenta management
Low-carbon construction methods and materials	Procurement of eco-friendly materials	Research on eco-friendly materials	Climate risk identification	Aggregation and management of carbon emissions
Promotion of energy transition projects			Scenario analysis	

Controls and Procedures for Executive Oversight of Risks and Opportunities

Departments under the CFO-led Sustainability Steering Committee oversee risks and opportunities by incorporating ESG improvement tasks, including those related to climate change, into their departmental KPIs each year. The ESG performance of these departments is reported quarterly, and climate-related issues are communicated to the committee by department executives and division heads. In addition, departmental performance goals are integrated into KPIs for employees.

Climate Change

Strategy

Business Model and Value Chain

Identifying and Assessing Risks and Opportunities

In line with the TCFD¹⁾ recommendations, Hyundai E&C has classified climate-related risks and opportunities that may affect the company's outlook and established issue pools by referring to documents such as the IPCC²⁾ Sixth Assessment Report, construction and engineering industry reports, and the requirements of stakeholders including clients, financial institutions, and NGOs. Based on this, we formed 11 pools of climate-related risk and opportunity factors that are expected to impact our domestic and international operations across the entire value chain including both upstream and downstream. The expected time horizon of occurrence has also been determined for each factor³⁾.

- 1) TCFD: Task Force on Climate-related Financial Disclosure
- 2) IPCC: Intergovernmental Panel on Climate Change
- 3) Time horizons are defined as short-term (-2025), mid-term (-2030), long-term (-2045), in alignment with Hyundai E&C's 2045 Net-Zero target and related strategies

Impacts of Risks and Opportunities

Hyundai E&C assesses how each climate-related risk and opportunity factor affects its business model (strategy, operations, and revenue structure) or value chain (supply chain and partner network), and distinguishes whether the impact is already occurring or is expected to occur in the medium to long term. Due to the nature of the construction industry, which primarily involves outdoor sites, physical risks from climate change tend to have a widespread impact across operations. At the same time, transition risks are growing in response to evolving Legal Risks(policies) and Regulations aimed at addressing climate change. On the other hand, market shifts toward energy transition and the adoption of low-carbon construction technologies are presenting new business opportunities, which are expected to have a positive influence on the company's future revenue structure and technological competitiveness.

		Clir	mate-related Risks and Opportunities		Current and Expected Impacts on Business Model and Value Chain				
Ca	tegory		Description	Time Horizon*	Cate	egory	Description		
Physical	Acute ²⁾	P1	Increasing severity of extreme weather events such as typhoons, floods, and heavy rainfall	Short-term	Business model	Current	Decreased revenue and rising preventive costs due to increased frequency and intensity of climate disasters such as typhoons, floods, and heavy rainfall * Project delays caused by fewer workable days and restoration efforts result in liquidated damages, recovery costs, reduced revenue due to rework, and increased prevention costs.		
Risks ¹⁾			Increase in the number of extreme heat days	Mid-term	Business model	Current	Decline in worker productivity and health risks among workers leading to revenue loss and compensation costs * Reduced labor efficiency and restricted workdays cause construction schedule delays.		
	Chronic ³⁾	P3	Rise in average temperatures	Short-term	Business model	Current	Higher energy costs and energy consumption, and elevated GHG emissions due to increased use of cooling equipment prompted by rising average temperatures		
	Legal	T1	Inclusion in the Emissions Trading Scheme (ETS) and Strengthened Regulations	Mid-term	Business model	Emerging	(Current regulation) Increased compliance costs from inclusion in the Emissions Trading Scheme (ETS) * Emission quota exceedance, expansion of paid allocation, and rising carbon credit prices lead to increased costs for emission allowance purchases.		
	Risks and Regulations	T2	Mandatory disclosure of climate-related information	Mid-term	Business model	Emerging	(Emerging regulation) Need for enhanced climate response capabilities and heightened legal risk due to mandatory climate disclosures (e.g., CSRD, SEC) * Increased costs related to additional disclosures beyond financial indicators and corporate activities for climate change, as well as potential legal liabilities from non-disclosure or false or discrepant climate-related information		
Transition Risks ⁴⁾	Market	T3	Rising prices of carbon-intensive raw materials	Mid-term	Value chain	Current	Rising costs due to price increases in carbon-intensive raw materials (e.g., steel, cement) caused by strengthened GHG regulations * Higher production costs of raw materials may lead to reduced output, resulting in supply instability and greater price volatility.		
	Technology	T4	Costs associated with the transition to electrification and high-efficiency equipment	Mid-term	Value chain	Emerging	Cost increases associated with adopting low-carbon construction technologies and high-efficiency or electrified equipment		
	Reputation	T5	Reputational damage from inadequate climate response	Long-term	Business model	Emerging	Decline in corporate credibility and reduced capital access due to insufficient climate action or low ESG ratings		
	Products	01	Growing demand for energy transition projects	Mid-term	Business model	Emerging	Revenue growth from increased orders for energy transition projects, including nuclear (SMRs), offshore wind, hydrogen/ammonia, solar, and CCUS		
Opportunities ⁵⁾	pportunities ⁵⁾ /Services	02	Increasing demand for Zero-Energy buildings	Mid-term	Business model	Emerging	Increased sales of zero-energy buildings driven by stronger building energy efficiency policies and mandatory zero-energy building regulations		
	Technology	03	Growing demand for low-carbon construction technologies	Mid-term	Business model	Current	Expansion of market and enhancement of technological competitiveness through increased R&D of low-carbon construction technologies (e.g., materials and methods)		

¹⁾ Physical risks: Risks arising from the physical impacts of climate change, including short-term events such as heatwaves, floods, droughts, and typhoons, and long-term changes such as rising sea levels and increasing average temperatures

²⁾ Acute: High-intensity, short-term climate-related physical risks such as extreme heat, typhoons, and torrential rainfall

³⁾ Chronic:: Long-term, gradual physical impacts of climate change with cumulative and structural effects, including rising sea levels, sustained temperature increases, and ongoing shifts in precipitation patterns 4) Transition risks: Risks that may arise from changes in policy, regulation, technology, or market conditions as the transition of the global economy to a low-carbon model.

⁵⁾ Opportunities: Business opportunities that may emerge from efforts to address and adapt to climate change, such as improving resource efficiency and cost savings, adopting low-carbon energy sources, developing new products and services, accessing new markets, and building resilient supply chains

Climate Change

Strategy

Strategy and Decision-Making

Response to Risks and Opportunities

Hyundai E&C develops its response plans, targets, and strategic directions based on analyses of the impacts of identified climate-related risks and opportunities on its business model and value chain. The Sustainability Management Team identifies the current response status for significant risks and consults with relevant departments to establish improvement measures, which are then incorporated into the company's operational rules and policies. Response priorities are determined by assessing the feasibility and timing of strategy execution. Short-term, high-priority goals are established first to ensure the resilience of the strategy. These detailed goals are reflected in the KPIs of the responsible departments, and their implementation performance is reported annually to the Corporate Governance and Communication Committee through the Sustainability Steering Committee for oversight and management. This strategic approach is incorporated into our net-zero roadmap and integrated with management strategies. For more information on Hyundai E&C's specific responses to the impacts of climate-related risks and opportunities, please refer to the analysis and implications provided in the "Climate Resilience" section.

Current and Expected Mitigation and Adaptation Efforts Risks Hyundai E&C is implementing various operational systems to reduce greenhouse gas emissions and energy consumption at construction sites, including the use of energy-efficient office facilities. Monitoring systems have been installed on overseas in-house equipment to measure and [P1] Increasing severity of extreme weather events manage fuel efficiency and idling time. In addition, we have joined the K-EV100 Initiative and are gradually replacing internal combustion engine Green such as typhoons, floods, and heavy rainfall vehicles with zero-emission vehicles. Solar power generation is being promoted on-site, with plans to gradually expand the use of renewable Operation energy at business locations. [P2] Increase in the number of extreme heat days Key Metrics: Scope 1 and 2 emissions | 2024 Scope 1 and 2 emissions: 250,681 tCO₂e (112,693 tCO₂e reduction YoY) [P3] Rise in average temperatures [T1] Inclusion in the Emissions Trading Scheme (ETS) and Strengthened Regulations Hyundai E&C aims to contribute to a low-carbon society by playing a leading role across the entire energy value chain and expanding our portfolio to reduce greenhouse gas emissions. We are broadening our portfolio through collaborations with Westinghouse (U.S.) and Holtec (U.S.) Green [T2] Mandatory disclosure of climate-related in areas such as large-scale nuclear power, SMRs, offshore wind power, hydrogen/ammonia, and electricity brokerage. Through these efforts, we **Portfolio** plan to increase the share of revenue from sustainable products — classified under the EU Taxonomy — to 60% by 2030. information Key Metrics: Sales of sustainable products | 2024 sales of sustainable products: KRW 10,123,619 million (KRW 359,589 million increase YoY, 3,7%p increase) 2045 [T3] Rising prices of carbon-intensive raw materials **Net Zero** [T4] Costs associated with the transition to Key technology initiatives include the development of low-carbon construction materials (e.g., concrete and steel rebar), offshore wind power electrification and high-efficiency equipment (e.g., design and construction of floating structures and fixed-bottom foundation structures), carbon capture, utilization, and storage (CCUS). commercialization of water electrolysis-based hydrogen production plants, zero-energy buildings, and biogas. We are also pursuing domestic Green [T5] Reputational damage from inadequate Investment and international investment and development projects in solar power, offshore wind, and hydrogen. Through these efforts, we aim to preempt climate response the evolving market landscape driven by the accelerating energy and digital transition and strengthen our capabilities accordingly. Key Metrics: Number of eco-friendly R&D and costs | 2024 number of eco-friendly R&D and costs: 34 cases, KRW 2,554 million (6 more cases YoY) Opportunities [O1] Growing demand for energy transition Hyundai E&C is also strengthening cooperation with its supply chain to lead the low-carbon construction market. We promote the procurement projects of low-carbon materials through our green purchasing policy and, in collaboration with construction material manufacturers, have developed a low-carbon blended cement using steelmaking slag and lithium by-products. This cement reduces carbon emissions by 34.42% during Green [O2] Increasing demand for Zero-Energy buildings production and by 10.09% across its full lifecycle compared to conventional cement. In addition, we are accelerating the development of various Spread low-carbon materials through a technology partnership MOU with global materials leader Holcim. [O3] Growing demand for low-carbon Key Metrics: Scope 3 emissions (purchased goods and services) | 2024 Scope 3 Category 1 (purchased goods and services): 2,236,489 tCO2e construction technologies (484,196 tCO2e reduction YoY)

Climate Change

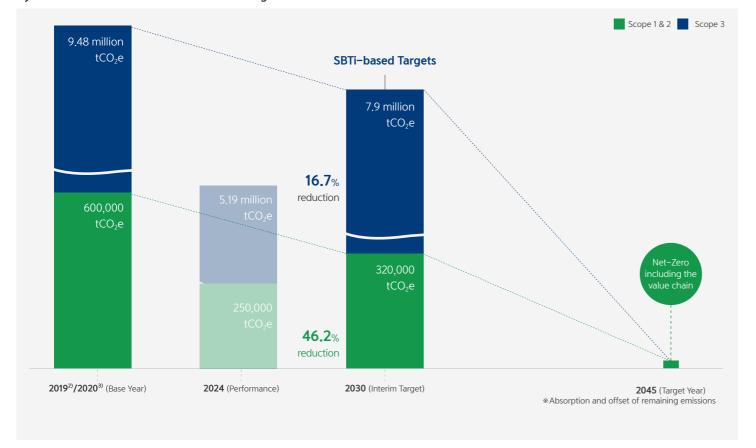
Strategy and Decision-Making

Climate Transition Plan and Achievement Roadmap

Hyundai E&C has established a company-wide climate transition plan aiming to achieve carbon neutrality by 2045. Under this plan, we target a 46.2% reduction in Scope 1 and 2 greenhouse gas emissions by 2030 compared to the 2019 baseline, and a 16.7% reduction in Scope 3 emissions by 2030 compared to the 2020 baseline, with a goal of achieving carbon neutrality including Scope 3 by 2045. The transition plan addresses key factors such as changes in domestic greenhouse gas regulations, projected electricity prices and usage, and science-based targets aligned with the 1.5°C pathway set by the SBTi. To achieve our climate transition goals, Hyundai E&C has established a carbon neutrality strategy, G-OPIS*, and is implementing it through a phased action plan. The successful execution of this plan depends on factors such as the expansion of the renewable energy market, growing demand for low-carbon buildings, and the development of eco-friendly technologies and products. Significant changes in these dependencies may result in adjustments to the current transition plan.

* G-OPIS: ① Green Operation ② Green Portfolio ③ Green Investment ④ Green Spread

Hyundai E&C's 2045 Net-Zero Reduction Targets

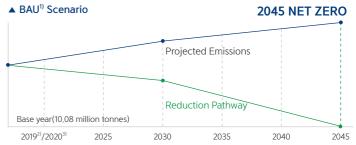


▲ Climate Transition Achievement Roadmap

2045 Carbon Neutrality Achievement Plan (G-OPIS)							
Scope	· Green Operation (Renewable energy, electrification of fuel-based equipment, and low-carbon operational systems)						
1 & 2	· Green Investment (Investment in green businesses)						
Scono.	· Green Portfolio (Sales of low–carbon buildings)						
Scope 3	· Green Spread (Management of suppliers' fuel usage, procurement of eco-friendly materials, etc.)						

▲ SBTi Target-Setting Criteria

		2030			2045	
Category	Target	Coverage	Annual Reduction Rate	Target	Coverage	Annual Reduction Rate
Scope 1 & 2	1.5℃	100%	4.20%	1.5℃	100%	100%
Scope 3	WB 2℃	67%	2.50%		90%	90%



- * Projected growth of the domestic and global construction industry (3,88% by 2030) and domestic economic growth forecast (1,79% by 2040 / 1,31% by 2045) were applied. 1) BAU (Business As Usual): Projected GHG emissions
- 2) Scope 1&2 base year
- 3) Scope 3 base year

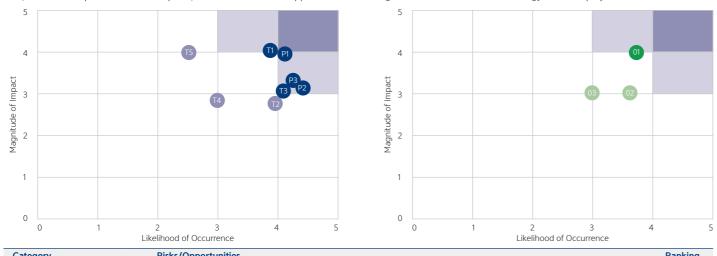
Climate Change

Strategy

Materiality Assessment

Results of Climate Materiality Assessment

The climate materiality assessment identified significant financial implications as key physical risks, as a result of the increasing severity of weather anomalies such as typhoons, floods, and heavy rainfall, as well as the rise in the number of extreme heat days and average temperatures. Major transition risks were found to be primarily in the policy/legal and market domains, viz. the rising prices of carbon–intensive raw materials and Hyundai E&C's inclusion in the Emissions Trading Scheme (ETS). In addition to the risks, we identified positive financial impacts, such as new business opportunities stemming from increased demand for energy transition projects.



Category			Risks/Opportu	nities	Ranking
	Acuto	P1	Short-term	Increasing severity of extreme weather events such as typhoons, floods, and heavy rainfall	1
Physical Risk	Acute	P2	Mid-term	Increase in the number of extreme heat days	3
	Chronic	Р3	Short-term	Rise in average temperatures	5
	Legal Risks and	T1	Mid-term	Inclusion in the Emissions Trading Scheme (ETS) and strengthened regulations	6
	Regulations	T2	Mid-term	Mandatory disclosure of climate-related information	7
Transition Market	Market	T3	Mid-term	Rising prices of carbon-intensive raw materials	2
	Technology	T4	Mid-term	Costs associated with the transition to electrification and high-efficiency equipment	10
	Reputation	T5	Long-term	Reputational damage from inadequate response of climate change	11
	Products/	01	Mid-term	Growing demand for energy transition projects	4
Opportunity Services	02	Mid-term	Increasing demand for Zero-Energy buildings	8	
	Technology	О3	Mid-term	Growing demand for low–carbon construction technologies	9

Score		Likelihood of Occurrence
5	Very High	High likelihood of ocurring in the next 1–3 years
4	High	Likely to occur at least once in 5 years
3	Medium	Possible under specific conditions
2	Low	Unlikely under normal conditions
1	Very Low	Exceptional case, extremely unlikely
0	None	No likelihood of occurrence

Score		Magnitude of Impact
5	Very High	Long-term impact on the company's revenue model and core assets
4	High	Significant impact on the revenue or cost of a specific business unit
3	Medium	Affects annual revenue/cost structure but can be recovered
2	Low	Impact exists but is financially insignificant
1	Very Low	Manageable through internal process adjustments
0	None	No impact

Timing of Occurrence			
Short-term	By 2026		
Mid-term	By 2030		
Long-term	By 2045		

Climate Change

Strategy

Climate Resilience

Climate Resilience Assessment

Construction in the building industry is carried out primarily at outdoor sites, requiring significant physical and human resources, including materials, equipment, and labor. As a result, physical risks caused by climate change tend to have a relatively greater impact during the construction phase than in other parts of the value chain. Accordingly, Hyundai E&C identified physical risks in the construction phase by considering geographic location of the projects and assessed their financial impact. Furthermore, based on a variety of scenarios, we evaluated the potential impact of key transition risks and climate—related opportunities identified through the climate materiality assessment to determine our overall climate resilience.

Overview of Physical Risk Scenario Analysis

Using the S&P Global Climanomics platform and the Korea Meteorological Administration's Climate Information Portal, Hyundai E&C assessed the financial impact of various natural hazards resulting from climate change on our headquarters offices and all construction sites, and analyzed their level of risk exposure. For the analysis of physical risks, Hyundai E&C applied four Shared Socioeconomic Pathways (SSP) scenarios presented in the IPCC Sixth Assessment Report, focusing primarily on the high–emission scenario (SSP5–8.5). Financial impacts were assessed as Modeled Average Annual Losses (MAAL) on a decadal basis under each scenario.

▲ Key Physical Risks at Construction Sites

1	2	3
Typhoons, floods, and heavy rainfall can cause both direct and indirect damage such as construction delays.*	Increase in the number of extreme heat days leads to direct and indirect damage such as reduced work efficiency and delays in construction schedules.	Rising average temperatures increases energy consumption and carbon emissions.

^{*} However, in the event of construction suspension due to natural disasters, the financial impact on the company is minimal, as such events qualify as grounds for contract modification.

Analysis Scenarios

In analyzing physical risks, we applied the four Shared Socioeconomic Pathways (SSP) scenarios presented in the IPCC Sixth Assessment Report. We conducted a comprehensive assessment under both the low-emission scenario (SSP1-2.6) and the high-emission scenario (SSP5-8.5). This report focuses on the high-emission scenario (SSP5-8.5), under which exposure to physical risks is more significant. Accordingly, a conservative analysis was conducted, reflecting the specific characteristics of Hyundai E&C's business sites.

SSP 1-2.6(low-emission scenario)	Advances in renewable energy technologies enable environmentally friendly and sustainable economic growth	
SSP 2-4.5 (medium-emission scenario)	Moderate progress in climate change mitigation and socioeconomic development	
SSP 3-7.0(high-emission scenario)	Passive climate policies and delayed technological development result in a society vulnerable to climate change	
SSP 5-8.5(extreme high-emission scenario)	Rapid industrial and technological growth leads to high fossil fuel use and widespread unregulated development	

Scope and Subjects of the Scenario

When physical risks occur at construction sites, they can have a financially significant impact on the company such as asset recovery costs and liquidated damages due to delays. Accordingly, to generate results that reflect the specific characteristics of Hyundai E&C, we applied existing physical risk analysis tools while considering various factors such as size of project contract, remaining construction period, and site location. Based on these criteria, we selected major domestic and overseas construction sites as the subjects of physical risk analysis. In addition, our headquarters building, one of our key physical assets, was included in the analysis. The analysis focused on evaluating the impact of physical risks during the construction phase of these projects. Based on this analysis, Hyundai E&C has established a context-specific plan to adapt to physical climate risks in existing and/or new operations.

Domestic	Seoul (Headquarters), Gyeonggi, Ulsan, Incheon
Overseas	Iraq, Saudi Arabia, Singapore, the Philippines, Panama

Analysis Results

Using the S&P Global Climanomics platform, Hyundai E&C conducted a decadal assessment of the financial impacts various climate–related disasters may have on regions where major construction sites are located, as well as on our headquarters, which represents a high–value asset. The results are expressed as MAAL, which reflects the combined projected financial loss ratios (e.g., sales, operating costs, and capital expenditures) for each type of disaster based on their respective impact pathways.

Temperature Anomalies	Temperatures outside the threshold range based on historical observations for the region Estimated increase in heating and cooling costs and asset damage to HVAC systems at construction sites or the headquarters due to temperature anomalies Estimated losses resulting from reduced on–site labor productivity caused by temperature anomalies
Wildfires	 Annual probability that wildfire conditions will exceed the 90th percentile of historical data for the region Financial impact of wildfire-related construction site shutdowns is estimated based on loss due to reduced labor productivity
River flooding / Coastal Inundation / Flooding / Typhoons	River Flooding / Coastal Inundation / Flooding: Disaster scale based on a 100-year return period for the region Typhoons with wind speeds over 50 m/s Estimated recovery costs for construction sites or the headquarters due to damage from the disaster Estimated revenue loss during the recovery period due to operational disruption
Droughts	 Annual probability of exceeding the 90th percentile of historical drought conditions in the region Estimated value loss of headquarters assets resulting from drought Estimated financial impact from increased water utility costs caused by drought
Water Stress	Projected water stress levels based on the estimated ratio of water withdrawal to supply Estimated financial impact due to increased water utility costs associated with water scarcity Estimated revenue loss from operational disruptions in regions with high water stress

Climate Change

Climate Resilience

Key Physical Climate Risk Analysis and Implications

Hyundai E&C conducted a physical climate risk analysis based on a high-emissions scenario (SSP5-8.5), targeting its headquarters in Korea and major construction sites across three domestic regions (Gyeonggi, Ulsan, Incheon), two regions in Southeast Asia (the Philippines and Singapore), two in the Middle East (Saudi Arabia and Iraq), and one in Latin America (Panama). Using asset data and geographic location, we calculated the MAAL for the headquarters and each construction site to assess the financial impacts associated with climate risks. Because construction sites operate on a temporary basis during the project period rather than as permanent facilities, the analysis focused on short-term physical risks likely to occur within the project timeline. The results identified temperature anomalies and river flooding as key risks with potential impact across all locations. In addition, the following region-specific risks were assessed as relatively high. Based on these findings, Hyundai E&C plans to tailor and strengthen its disaster response strategies reflecting the unique characteristics of each site and region.

Uncertainty in Key Physical Risk Analysis

Climate change is difficult to predict, and various factors may affect the results of physical risk assessments. Hyundai E&C places strong emphasis on identifying major potential impacts of climate change and addressing related risks preemptively through physical risk analysis. We are refining our analytical scenarios continuously to improve the accuracy of forecasts and ensure better integration based on more precise data amid rapidly evolving climate risks.

Modeled Appual Average Loss (MAAL)* Low 1%

▲ Physical Risk Analysis Results by Site

A Physical Ris	K Allalysis F	results by Si	ite	Modeled	Annual Averag	e Loss (MAAL)* Low 0%		16% High
Key Sites	Timing of Occurrence	Temperature Anomalies	River Flooding	Wildfires	Typhoons	Flooding	Drought	Water Stress	Coastal Inundation
Seoul Headquarters	Short-term								
Domestic Housing Site A	Short-term								
Domestic Plant Site B	Short-term								
Domestic Housing Site C	Short-term								
Saudi Arabia Plant Site D	Short-term								
Panama Infrastructure Site E	Short-term								
Iraq Plant Site F	Short-term								
Philippines Infrastructure Site G	Short-term								
Singapore Infrastructure Site H	Short-term								

^{*} Modeled Average Annual Loss (MAAL): A metric that quantifies the estimated total financial loss (operating expenses, capital expenditures, and revenue impact) caused by physical risks, based on the type of region and asset being analyzed. It is expressed as a percentage of the asset value,

[P1] Increased Severity of Extreme Weather Events such as Typhoons, Floods, and Heavy Rainfall

Timing of Occurrence	Short-term	Likelihood of Occurrence	High
Magnitude of Impact	High	Scope of Impact	Global / Business Model
Financial Impact	Approximately KRW 300 million to 1.9 billion*		
Implications	inundation damage, project delays, equipment damage may trigger cascading effects such as increased recc fulfilling contractual obligations, and disruptions in proc increasingly severe weather anomalies at major constr	e, and increased sovery costs, scheourement of raw muction sites estimes escale of potentia	ry is highly exposed to direct financial impacts such as standby costs during typhoons and floods. These losses dule uncertainty, rising insurance premiums, delays in aterial. An analysis of the potential financial impact from lated average annual losses of approximately KRW 300 losses under recurrent extreme weather events and will
Response Strategy (within five years)	To address intensifying acute physical risks from climate change, such as typhoons, heavy rainfall, and flooding, Hyundai E&C incorporates regional weather forecasts and climate scenarios into construction planning. In the event of delays caused by natural disasters, we seek to minimize contractual risks by negotiating schedule extensions with clients. On–site emergency response systems have been established, regular inspections and drills are conducted to prevent typhoon–related damage, and preemptive measures are implemented across all construction phases to mitigate impacts from storms and floods. Hyundai E&C is also reviewing the purchase of relevant construction insurance and the inclusion of protective contract clauses to cover potential losses from property damage and liability. In addition, we have developed response manuals to address utility disruptions and major equipment failures from typhoons, ensuring swift and coordinated crisis response.		

^{*} Estimated Potential Cost

[P2] Increase in the Number of Extreme Heat Days / [P3] Increase in Average Temperatures

Timing of Occurrence	Short-term	Likelihood of Occurrence	Very High
Magnitude of Impact	Medium	Scope of Impact	Global / Business Model
Financial Impact	Approximately KRW 1.3 to 14.7 billion*		
Implications	to the high proportion of outdoor work, the constructi identified in Saudi Arabia (2.0%), Iraq (1.9%), and Hyur temperature anomalies were found to pose the greate dehydration, reduced concentration, and increased productivity. It may also lead to technical risks such as and associated carbon emissions from greater usage o impacts by each major site resulting from rising average an annual financial exposure of approximately KRW 1.3 heat conditions (based on the Wet Bulb Globe Tempes short term and 22% in the long term (Korea Meteorolo	on industry is partidai E&C's domes set overall risk. Ext safety incidents a project delays and f air conditioning, e temperatures and to 14.7 billion. In perature, or WBGT, rgical Administratic e heat conditions.	tic headquarters and sites (1.6–1.7%). Across all regions treme heat can lead to human risks such as heatstroke among workers, directly affecting work efficiency and I environmental impacts caused by increased energy usure. An analysis, conducted to assess the potential financia d an increasing number of extreme heat days, estimated Korea, estimated annual workday losses due to extrem
Response Strategy (within five years)	E&C manages climate risks systematically by analyzin meteorological software Meteonorm and incorporating we use real-time weather forecasts to detect heat risks reducing or modifying outdoor work hours when heat a To protect workers' health, we have developed heat saferest facilities to ensure a comfortable work environment of our workers. In addition, we are enhancing energy el	ig site-specific cli the findings into c preemptively. In re dvisories are issue by guidelines and t. These efforts refificiency at offices	rage temperatures caused by climate change, Hyunda imate characteristics from the bidding stage using the onstruction schedule planning. During project execution esponse, we apply clear work-hour adjustment standards d, and suspending all outdoor work under heat warnings conducted related training and strengthened cooling and lect our commitment to prioritizing the safety and health and auxiliary facilities to reduce consumption of cooling pabilities in climate adaptation and energy management.

^{*} Estimated Potential Cost

Climate Change

Climate Resilience

Overview of Transition Risk Scenario Analysis

Hyundai E&C analyzed the potential impacts of key transition risks and climate-related opportunities identified in the climate materiality assessment on its business, using multiple scenarios.

Analysis Scenarios

For the analysis of transition risks and opportunities, scenarios presented by the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS)* were applied. This report focuses on a comparative analysis between high-emission and low-emission scenarios

▲ Low-Emission Scenario

Scenario	Scenario Assumption and Description			
IEA NZE 2050	The global temperature rise is stabilized at 1.5°C and net-zero greenhouse gas emissions are achieved worldwide by 2050			
NGFS NZE 2050	The global temperature rise is limted to 1.5°C through stringent climate policies and innovation, and net-zero greenhouse gas emissions are achieved worldwide by 2050.			

▲ High-Emission Scenario

Scenario	Scenario Assumption and Description	
IEA STEPS	Currently implemented and pledged national policies are maintained	
NDC	Nationally determined contributions	
NGFS CPS	No additional climate policies are introduced beyond those already in place.	

Key Assumptions Used in Scenario Analysis

Category	Description
Policy	(Internal) Share of paid allocation under the ETS: Assumed maintenance or expansion during each planning period (Internal) Assumed GHG reductions by industrial sector in line with the 2030 NDC and 2050 carbon neutrality targets
National or Regional Variables	(IEA) Carbon Price Outlook under the NZE 2050 Scenario (NGFS) Country–Specific Green Business Outlook (NGFS)

Reporting Period of the Scenario Analysis

The scenario analysis was conducted within the reporting period.

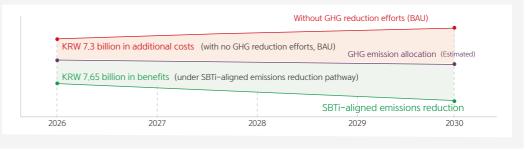
Key Transition Risk Analysis and Implications

[T1] Inclusion in the Emissions Trading Scheme (ETS)

Timing of Occurrence	Short-term	Likelihood of Occurrence	High	
Magnitude of Impact	Medium	Scope of Impact	Global / Business Model	
Financial Impact	Approximately KRW 7.3 –33.9 billion*			
Implications	(2026–2030) of the ETS. The company is prepar developing corresponding reduction strategies. In the need for emissions reductions across indust Phase 4 is expected to increase differentially by commercialization timeline of reduction technology an analysis of the financial impact of allocated em	ing for stricter re line with the stre tries has grown. sector, based on gies, likely leadin hissions under th IEA STEPS and N	ndai E&C is expected to be included in Phase 4 egulations by analyzing the financial impacts and engthened national GHG reduction targets (NDCs), Accordingly, the share of paid allocation during in factors such as sectoral competitiveness and the g to higher regulatory compliance costs. Based on the ETS, reflecting an increase in the paid allocation NZE, the cumulative regulatory cost during Phase 4 3.9 billion.	
	Hyundai E&C plans to further strengthen its safet			

Strategy Resilience

The resilience of Hyundai E&C's response strategy to potential risks from inclusion in the ETS was assessed through scenario analysis. Specifically, we analyzed the extent to which financial impacts, projected under a business-as-usual (BAU) scenario, could be mitigated through GHG reduction efforts in line with our Net Zero 2045 strategy. Without such reduction efforts, cumulative costs of ETS compliance were estimated to reach KRW 7.3 billion by 2030. However, under the Net Zero roadmap, where Scope 1 and 2 emissions are reduced by 46.2% from the base year by 2030, the resulting emissions reduction could instead generate a cumulative benefit of approximately KRW 7,65 billion through the sale of surplus allowances. This analysis is based on the current level of paid allocation and the IEA STEPS scenario. The projected benefit was calculated assuming that the auction price of paid allowances equals the selling price of surplus allowances and reflects the potential gains under the domestic ETS when the net zero pathway is achieved, compared to the BAU scenario.



^{*} The NGFS scenarios are based on the GCAM 6,0 model.

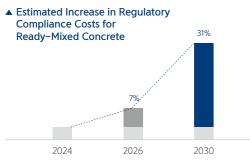
Climate Change

Climate Resilience

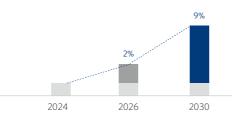
Key Transition Risk Analysis and Implications

[T7] Price Increases of Carbon-Intensive Raw Materials

Timing of Occurrence	Mid-term	Likelihood of Occurrence	High		
Magnitude of Impact	Medium	Scope of Impact	Global / Business Model		
Financial Impact	The unit price of ready-mixed concrete is expected rebar is expected to rise by 2% to 9% per ton.	ted to increase	by 7% to 31% per cubic meter / the price of steel		
Implications	GHG emissions during production, As Korea's ND pressure to reduce emissions. The Phase 4 of the E government is likely to lower the proportion of free sector, considering competitiveness and the commontext, Hyundai E&C recognizes potential rise in r (KAUs), which may be reflected in product prices a presents a financial impact estimate for this transitic For ready-mixed concrete, the cement production and transport. Although the detailed paid allocating a conservative scenario, the full cost of allowance Under this assumption, the price of ready-mixed between 2026 and 2030. Steel rebar emits a large amount of GHGs during manufacturing costs remain unchanged as of 2020.	Cs have been st TS, starting in 20. e allowance alloc mercialization fee regulatory compl and drive up raw on risk, based on a process emits C ion ratio for the es is likely to be a d concrete is ex high-temperatu 24 and regulato	construction industry, and both generate significant rengthened, the industrial sector faces increasing 26, is expected to introduce tighter regulations. The ations and increase the share of paid allocations by asibility of emissions reduction technologies. In this iance costs from purchasing Korea Allowance Units material costs, as a major transition risk. This report currently available limited data. 6HGs from extraction of raw material to production ETS Phase 4 remains to be announced, assuming passed on to Hyundai E&C's 2024 concrete usage, expected to rise by 7% and reach as much as 31% are processing using iron ore and coke. Assuming ry compliance costs are fully reflected in product east 2% to as much as 9% between 2026 and 2030.		
Response Strategy	To minimize the impact of rising raw material costs, Hyundai E&C incorporates monthly domestic and global raw material market trends and forecasts into estimates of construction costs. We will continue to closely monitor changes in GHG regulations and raw material price trends to manage related risks proactively.				







^{*} Estimated by referring to the World Energy Outlook 2024 low-emission scenarios (IEA NZE 2050, NGFS NZE 2050) and high-emission scenarios (IEA, STEPSNDC, NGFS CPS).

Key Opportunity Analysis and Implications

[O5] Rising Demand for Energy Transition Projects

Timing of Occurrence	Mid-term	Likelihood of Occurrence	High
Magnitude of Impact	Medium	Scope of Impact	Global / Business Model
Implications	and digital technologies. At the same time, the imp to rising geopolitical risks. The size of the energy rapid expansion anticipated in the renewable ene opportunity to expand its energy business, and is production, storage, transportation, and utilizatio energy industry value chain. In addition, Hyundai solar, offshore wind, large-scale nuclear, and SMF Electricity Supply and Demand (2024–2038). Base	portance of stabilimarket is expected and nuclear committed to expense, while focusing E&C has analyzed markets under analysis on this analysis	ity in energy supply is increasingly emphasized due ted to more than double by 2050, with particularly power sectors. Hyundai E&C views this shift as an panding its business across diverse areas of energy g on securing core technologies to lead the entire ed the development capacity and project scale of the NGFS scenarios and Korea's 11th Basic Plan for is, we assessed business opportunities in countries ojects, and are incorporating these insights into our

Market Outlook and Response Strategy by Project

1 Large Nuclear Power Plant/ SMR

The role of nuclear energy is gaining prominence in the global energy market. In the short term, the explosive growth of the Al industry is driving a surge in electricity demand, bringing renewed attention to nuclear power as a stable and efficient source of energy. Over the medium to long term, the nuclear industry is expected to grow more than fourfold by 2050, with next-generation nuclear power plants anticipated to dominate the market after 2040. Additionally, with the increasing number of aging nuclear facilities, the nuclear decommissioning market is projected to reach a value of KRW 170 trillion.

Response Hyundai E&C has consistently pursued nuclear power projects, having completed or being currently engaged in Strategy the construction of 24 nuclear reactors both domestically and internationally. Leveraging this track record, we have won 8 out of 23 global nuclear reactor orders over the past decade, achieving a 35% market share. To establish a comprehensive nuclear total value chain by enhancing capabilities across all areas of nuclear energy, we plan to construct new large-scale nuclear power plants in Europe and the United States in cooperation with Westinghouse, a U.S.-based company. In addition, we are developing futuristic SMR technologies, including MSRs and SFRs, jointly with the Korea Atomic Energy Research Institute (KAERI). For SMRs, Hyundai E&C is collaborating with Holtec (U.S.) to build the first SMR unit and expand the business globally. We plan to begin construction of the first SMR at the Palisades site in Michigan and, based on our exclusive EPC rights for Holtec's SMR, accelerate the expansion of our global SMR business. Building on this technological foundation, Hyundai E&C aims to broaden the scope of its business to include next-generation reactors and nuclear decommissioning projects, targeting KRW 7 trillion in cumulative orders by 2030.

Climate Change

Climate Resilience

Key Opportunity Analysis and Implications



2 Offshore Wind Power

Amid the rising pace of global energy transition, national policies promoting renewable energy and ongoing technological advancements are driving rapid growth in the offshore wind and solar power markets. In Korea, offshore wind power is emerging as one of the most promising sources of electricity generation, supported by renewable energy expansion policies and the national carbon neutrality roadmap. According to Korea's 11th Basic Plan for Electricity Supply and Demand, offshore wind power generation is projected to grow more than 17-fold by

SOCIAL

Response Hyundai E&C holds the only offshore wind construction record in Korea and operates the nation's largest dedicated Strategy fleet, demonstrating strong construction performance and technological competitiveness in both foundation and topside structures. Building on this foundation of proven performance and technical capabilities, we aim to establish a total offshore wind power value chain through in-house development projects. The company plans to expand its presence in both domestic and global offshore wind markets, targeting cumulative orders exceeding KRW 12 trillion by 2030.

3 Solar Power

In line with the global energy transition, demand for solar power continues to grow steadily. In the short term, Outlook increased investments in renewable energy by major countries and ongoing technological innovations are driving a rapid decline in installation costs. At the same time, the share of solar energy in the power mix is expanding significantly as companies and governments pursue carbon neutrality. In the mid- to long term, under the IEA's Net Zero Emissions (NZE) scenario, annual solar PV installations are expected to exceed 650 GW by 2030, approximately 1,5 times the level as of 2023, In contrast, under the IEA STEPS scenario, which reflects current policy settings, the pace of solar adoption is projected to be more modest, However, stronger future policy measures could stimulate additional demand. Accordingly, solar energy is increasingly recognized as a key resource for enhancing energy resilience, given its low-carbon footprint, high efficiency, and economic viability.

Response Hyundai E&C is strengthening its competitiveness in bidding for renewable energy projects in the United States Strategy – a country where solar power accounts for a significant portion of the renewable energy mix – by establishing a public-private partnership with Korea Midland Power and the Korea Overseas Infrastructure & Urban Development Corporation (KIND) to jointly develop solar power projects, In collaboration with KIND, we are also participating in a solar power development project to build a 459 MW plant in central Texas. In Australia, a country rich in renewable energy resources, we are initially focusing on solar development projects and expansion of grid infrastructure.

4 Hydrogen/Ammonia

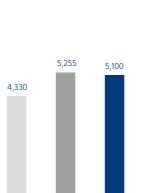
Market Outlook

As interest in sustainable energy and green technologies continues to rise, demand for hydrogen and ammonia, key enablers of net-zero emissions and next-generation energy, has been growing rapidly. The hydrogen industry is broadly categorized into three segments: "Production," which includes by-product and extracted hydrogen derived from fossil fuels, as well as green hydrogen produced via water electrolysis using renewable energy; "Storage and Transportation," which is classified based on storage methods suited for large-scale and long-distance transport; and "Utilization," which spans power generation and mobility applications, Meanwhile, ammonia, traditionally used as fertilizer, is now gaining attention as a potential substitute for hydrogen as an energy source.

Response Hyundai E&C is expanding its participation in hydrogen and ammonia projects by leveraging its experience in demonstration research and engineering design, while focusing on securing core technologies. We aim to strengthen our FEED and EPC capabilities for large-scale hydrogen and ammonia production plants through close collaboration with global licensors, In parallel, we plan to contribute to the Hyundai Motor Group's hydrogen ecosystem, which spans production, transportation, and utilization. Building on its technical expertise accumulated through government demonstration projects. Hyundai E&C is promoting water electrolysis pilot projects and biogasto-hydrogen initiatives jointly with Hyundai Motor. We are preparing for future group-level demand proactively by exploring hydrogen production using nuclear energy.

▲ Nuclear Market Outlook (Global)





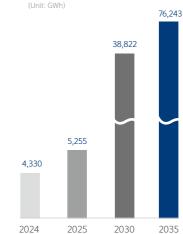
* WNA, World Nuclear Performance Report 2024,

2030

2025

2020

▲ Offshore Wind Power Market Outlook (Domestic)



* Ministry of Trade, Industry and Energy (2025): 11th Basic Plan for Electricity Supply and Demand

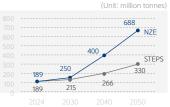
▲ Hydrogen Market Outlook (Global)





NZE: Net Zero Emissions Scenario

▲ Ammonia Market Outlook (Global)



* Hydrogen Council, McKinsey & Company

Climate Change

Risk Management

Climate Risk and Opportunity Management Processes and Policies

Hyundai E&C prioritizes the management of climate risks by conducting climate materiality assessments to identify risks and opportunities that are deemed to have a significant impact on the company each year, and by establishing and operating an impact assessment process that includes scenario analysis for key climate risk factors. In 2025, in line with the process for climate risk and opportunity management outlined in the TCFD recommendations, we categorized climate-related risks and opportunities and developed corresponding issue pools. This process considered documents such as construction and engineering industry reports, and the requirements of stakeholders including clients, financial institutions, and NGOs, Based on this, we formed an issue pool comprising 11 issues related to climate-related risk and opportunity factors across our domestic and international operations along the entire value chain including both upstream and downstream. A comprehensive evaluation of the likelihood and potential impact scope of these factors was conducted through surveys with internal stakeholders and external experts. To reflect how each risk and opportunity may affect the business, time horizons were categorized as short-term (- 2026), mid-term (- 2030), and long-term (- 2045). The results of this materiality assessment led to the selection of climate-related risks and opportunities deemed most impactful to Hyundai E&C. These key factors were further analyzed in detail through a scenario analysis. Other issues were also considered in terms of their potential strategic impact, using both quantitative and qualitative approaches.

▲ Climate Risk and Opportunity Management Processes

Composition of Risk and Opportunity Factor Pool

opportunity items based on

TCFD recommendations

Review of climate change

Incorporation of stakeholder

accumulated experience and

response status in the

construction industry

requirements Integration of internally

Analysis of risk and



Identification and Assessment of Risks and Opportunities



 Identification of kev risks and opportunities through

materiality assessment

Prioritization

and Impact

Analysis

 Scale-based evaluation of likelihood and magnitude of impact

Surveys of relevant internal

departments and external

expert organizations

 Classification by short-, mid-, and long-term time horizons

 Impact analysis for identified key risks and opportunities. including scenario-based assessments

▲ Scenario Analysis Parameters

Input Variables and Parameters	Business Scope	Data Sources
Type of Physical Asset	Controlling Entity	S&P Climanomics® Asset Type
Physical Asset Location Data	Controlling Entity	Latitude and longitude coordinates
Workable Days Based on WBGT	Controlling Entity	Climate indicators from the Korea Meteorological Administration
Market Outlook	Controlling Entity	Industry trend analysis reports from external research institutions
Greenhouse Gas Emission Factors	Controlling Entity	Ministry of Environment's guidelines on emissions reporting and verification under the ETS, IEA, etc.
Greenhouse Gas Emissions	Controlling Entity	Specifications based on the Ministry of Environment's guidelines for ETS reporting and verification
Exchange Rate	-	Woori Bank's Periodic Average Exchange Rate Data
Carbon Credit Price	Controlling Entity	Ministry of Environment, IEA,, etc.

Climate Risk Monitoring and Management

Hyundai E&C operates a climate risk management process that reviews climate-related risks and opportunities proactively and integrates them appropriately into the company's business decision-making framework. Based on this process, we annually identify and assess climate-related risks and opportunities that could have a material impact on the company. Quantitative assessment results of key risks and opportunities are reported to the management through the Sustainability Steering Committee and are reflected in company-wide strategic planning.

The risk management process is implemented at the business and project levels, taking into account the unique characteristics of the construction industry. Climate risks are managed through the steps of identification, assessment, and response. At the project level, risk management is conducted in two phases: pre-award and post-award. Prior to project acquisition, the Construction RM Team identifies potential direct and indirect risks, such as delays in schedule caused by regional, seasonal, or climate-specific factors, and convenes the Pre-contract Review Committee (PRC) to evaluate potential financial losses. After project award, the Environmental Management Team identifies potential climate risks during project execution and monitors GHG reduction performance through the Integrated Risk Management System. Risks identified at the project level are integrated into enterprise-level risk and opportunity management through the Sustainability Steering Committee.

Changes in Risk Management Process from the Previous Year

There were no changes to Hyundai E&C's climate-related risk management process compared to the previous year.

Climate Change

Metrics and Targets

Metrics

Total Greenhouse Gas Emissions

Category	Unit	2021	2022	2023	20241)	Base Year (2019/2020)
Direct/Indirect GHG Emissions (Scope 1&2) ²⁾	tCO ₂ e	296,841	384,836	363,374	250,681	596,140
Direct GHG Emissions(Scope 1)	tCO₂e	174,227	309,762	270,467	137,450	417,904
Domestic	tCO ₂ e	13,102	22,411	18,905	16,986	15,536
Overseas	tCO ₂ e	161,125	287,351	251,562	120,464	402,368
Indirect GHG Emissions (Scope 2) ³⁾	tCO ₂ e	122,614	75,074	92,907	113,234	178,236
Domestic	tCO ₂ e	65,075	57,556	68,947	69,323	58,090
Overseas	tCO ₂ e	57,539	17,518	23,960	43,911	120,146
Other Indirect GHG Emissions (Scope 3)	tCO ₂ e	9,281,746	6,658,746	5,765,722	5,198,461	9,484,466
Total GHG Emissions	tCO ₂ e	9,578,587	7,043,582	6,129,096	5,449,142	10,080,606

- 1) GHG emissions reduced due to a change in the calculation method during third-party verification in 2024.
- 2) The total amount of direct and indirect greenhouse gas emissions is calculated by truncating decimal values at each site, which may result in discrepancies to the sum of emissions by type,
- 3) Region-based emissions

Energy Consumption

Category	Unit	2021	20221)	2023	2024	Base Year (2019)
Non-renewable Energy Consumption	MWh	948,503	1,368,223	1,187,177	778,234	1,959,569
Electricity Consumption	MWh	238,714	151,868	189,386	235,594	281,196
Domestic	MWh	137,672	123,606	148,912	150,119	121,877
Overseas	MWh	101,043	28,262	40,474	85,475	159,319
Fuel Consumption	MWh	701,271	1,212,771	995,296	540,979	1,668,420
Domestic	MWh	58,325	94,517	78,646	71,791	67,493
Overseas	MWh	642,946	1,118,253	916,650	469,188	1,600,927
Other (Steam, etc.)	MWh	8,517	3,584	2,495	1,661	9,953
Domestic	MWh	8,517	3,584	2,495	1,661	9,953
Overseas	MWh	-	-	-	-	-
Renewable Energy Consumption ²⁾	MWh	38	61	66	123	-
Solar Power Generation (Domestic)	MWh	38	61	66	123	-
Renewable Energy Usage Rate	%	0.004	0.004	0.006	0.016	0

^{*} Renewable energy usage was restated to accommodate changes in energy usage calculation methods for 2021–2022

Measuring Greenhouse Gas Emissions

To transparently disclose the measurement and changes in emissions over which Hyundai E&C has direct control, we applied the operational control approach, under which 100% of the emissions from facilities where we have operational control are reported. In addition, we identified key emission–generating activities and calculated emissions using widely accepted public data sources that are recognized as reasonable. The standards and guidelines applied for measuring GHG emissions are as follows.

▲ GHG Emissions Measurement

Category	Standards and Guidelines				
Scope 1, 2	ISO 14064–1 (2018) IPCC Guidelines for National Greenhouse Gas Inventories (2006) Guidelines on Reporting and Verification of Emissions under the ETS (Ministry of Environment Notice No. 2023–221)				
Scope 3	· ISO 14064–1 (2018) · Corporate Value Chain (Scope3) Accounting and Reporting Standard				

▲ Input Variables and Assumptions

Category		Input Variables
Direct GHG Emissions (Scope 1)	Stationary Combustion	Activity Data: Usage of city gas (LNG), diesel, butane, and kerosene Calorific Value: National calorific values by fuel type Emission Factor: Default emission factors specified in the 2006 IPCC Guidelines for National GHG Inventories
	Mobile Combustion	Activity Data: Usage of gasoline, diesel, and urea Calorific Value: National calorific values by fuel type Emission Factor: Default emission factors specified in the 2006 IPCC Guidelines for National GHG Inventories
Indirect GHG Emissions (Scope 2)	Purchased Electricity	Activity Data: Electricity consumption, etc. Emission Factor: Default emission factors specified in the 2006 IPCC Guidelines for National GHG Inventories
	Purchased Heat (or Steam)	Activity Data: Heat (steam) consumption Emission Factor: Emission factors developed by the external heat (steam) supplier

Assets and Business Activities Vulnerable to Climate Transition Risks

Hyundai E&C manages assets and business activities that are vulnerable to climate transition risks. Coal– and oil–related businesses, which accounted for KRW 2.5037 trillion in revenue, or 14% of total revenue, are defined as such vulnerable assets. Capital expenditures (CapEx) for these businesses amounted to KRW 3.6 billion, representing 2% of total CapEx, while no related operating expenditures (OpEx) were incurred.

Executive Compensation Linked to Climate Performance

The CEO of Hyundai E&C incorporates the company's climate change response strategies and targets into key performance indicators (KPIs), which integrate climate–related risks, including quantitative reduction targets for GHG emissions and energy use, as well as performance under the national GHG Target Management System. Climate–related KPIs account for 3~5% of overall performance metrics and are directly linked to executives' compensation, including salary and bonuses (4% for the CEO).

¹⁾ Energy usage increased in 2022 as other curing fuels were added to the scope of calculation,

²⁾ Renewable energy usage data was restated as charcoal was excluded for 2021-2022,

Climate Change

Metrics and Targets

Metrics

Performance of Climate-Aligned Business Activities (Revenue from Sustainable Products)

As climate regulations have come to have a direct influence on corporate investment decisions, transitioning to eco-friendly business models has become a core strategic priority. In response, Hyundai E&C is expanding its green business portfolio under the vision of becoming a "Global Green One Pioneer" to lead the transition to a sustainable society. We identify our sustainable economic activities systematically based on the eligibility criteria outlined in the EU Taxonomy (Regulation (EU) 2020/852) and quantify the associated revenue from sustainable products, as well as capital expenditures (CapEx) and operating expenditures (OpEx). CapEx is calculated by reflecting actual investment items such as the acquisition of tangible and intangible assets related to sustainable activities and the purchase of land while OpEx was calculated based on operating-stage expenses, such as maintenance and repair costs directly associated with the activity and short-term lease payments.

▲ Sustainable Products and Services

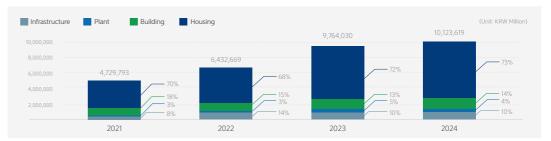
(Unit: KRW Million, non-consolidated)

APPENDIX

Category	Economic Activity	Code	Category	Revenues	CapEx	OpEx
NA (for or to continue or	Cement manufacturing	3.7	Transitional	_	-	57
Manufacturing	Hydrogen manufacturing	3.10		260	-	1,313
	Solar power	4.1		-	-	38
	Wind power	4.3		52,016	8	114
Energy	Hydropower	4.5		38,028	-	-
	Electricity transmission/distribution	4.9	Enabling	269,954	3,453	-
	New NPPs	4.27	Transitional	110,149	2,155	345
	Construction of water withdrawal facilities, etc.	5.1		-	-	55
	Construction of wastewater treatment facilities, etc.	5.3		-6,012 ¹⁾	-	-
Water/Waste	Improvements to wastewater treatment facilities, etc.	5.4		11,338	-	-
	Anaerobic digestion	5.7		14,830	1	76
	Transport of CO2	5.11	Enabling	-	-	22
	Permanent CO2 sequestration	5.12		-	-	358
Transportation	Infrastructure for rail transport	6.14	Enabling	860,682	18,475	_
Construction	Construction of new buildings	7.1		8,772,374	34,473	177
Total				10,123,619	58,565	2,554
Ratio				61%	29%	1%

^{*} Applying the EU Taxonomy Economic Activity List Criteria (Eligible)

▲ Annual Sales Performance by EU Taxonomy by Business Division



^{*} Some previously disclosed items from 2021 to 2023 were restated due to failure to meet certain disclosure criteria,

Internal Carbon Pricing

To respond to tightening GHG regulations and the global trend toward carbon neutrality, Hyundai E&C applies an internal carbon pricing system across its business operations. This system goes beyond simple cost allocation and serves as a reference standard in decision–making for low–carbon transition strategies and green investments. The internal carbon price is determined annually, based on a comprehensive review of international and domestic policy scenarios, Korea's ETS prices, and projections from both domestic and international expert institutions. In 2024, the price was set at approximately KRW 17,000 per ton, applied to both Scope 1 and Scope 2 emissions. Additionally, we have adopted a shadow pricing approach to proactively account for the potential financial impacts of strengthened regulations or increases in emissions allowance prices in future. Hyundai E&C also quantifies the emissions reduction effects of investments in carbon–reducing equipment and energy efficiency improvements, reflecting them as economic benefits in investment feasibility assessments. Through this, we aim to go beyond short–term cost burdens and strengthen our foundation for long–term mitigation of climate risks and new business opportunities. We also continue to closely monitor related policy and market trends.

Targets

The current targets and performance data for Hyundai E&C's Scope 1 & 2 and Scope 3 GHG emissions are as follows. For more detailed information on Hyundai E&C's long–term climate goal of achieving net–zero emissions by 2045, please refer to the "Climate Transition Plan and Achievement Roadmap" section under Strategy.



* Refer to energy consumption on p.118

¹⁾ Due to revenue reversals at certain project sites, revenue from sustainable activities was temporarily recorded as a negative value.

and driving sustainable growth.

MATERIAL TOPIC

The quality of Hyundai E&C's work is closely linked to customer trust and satisfaction. Quality defects can lead to decreased customer satisfaction, physical

and property-related harm, and costs related to civil litigation, potentially resulting in significant financial impacts. Recognizing the importance of maintaining

Quality Management

(Consumers and End-users)

Governance

BOD Management and Supervision on Quality Management Issues

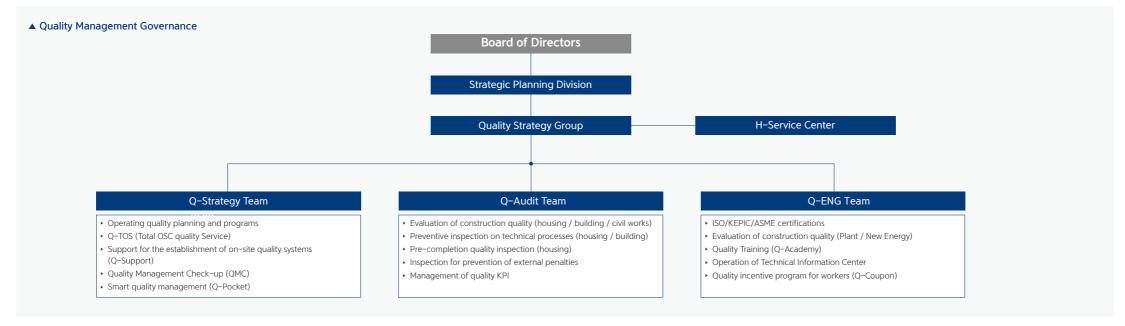
At Hyundai E&C, the Board of Directors serves as the highest decision-making body for quality management, ensuring that the capabilities necessary to deliver high-quality outcomes for customers are safeguarded and managed systematically. The Board oversees the direction of the company's quality management system continuously and plays a central role in making critical decisions on quality-related matters. It also monitors the company's quality management practices through the Strategic Planning Division. In 2025, the Board received reports on the "2025 Quality Management Targets and Guidelines," the establishment of an on-site quality system covering the entire process from design to completion, on-site technical support, and objective third-party evaluations of construction quality for risk management.

the highest levels of quality, we have obtained ISO 9001 Quality Management System certification and operate an effective quality system across all business areas, including design, procurement, construction, and commissioning. Furthermore, we leverage a knowledge-based quality system grounded in diverse site experiences to enhance systematic risk management and refine operational processes. These efforts reflect Hyundai E&C's commitment to building customer trust

Quality Management Organization

Hyundai E&C has established the Quality Strategy Office and H-Service Center under its Strategic Planning Division to enhance customer satisfaction and strengthen employees' quality competencies. The Quality Strategy Group serves as Hyundai E&C's operational unit for systematic and effective quality management, and comprises the Q-Strategy Team, Q-ENG Team, and Q-Audit Team. The Q-Strategy Team is responsible for quality planning and on-site quality management systems, including diagnosis of quality management, Q-Support, and Q-Pocket, The Q-ENG Team manages ISO¹⁾, KEPIC²⁾. and ASME³¹ certifications, supports bidding and technical operations, and oversees the Technical Information Center. The Q-Audit Team conducts evaluations and inspections on construction quality to prevent external penalties, carrying out comprehensive quality audits and assessments. The H-Service Center supports site inspections and defect repairs before and after occupancy at completed residential projects. As such, we are committed to responding promptly to enhance customer satisfaction and to providing stable, high-quality services.

- 1) ISO: International Organization for Standardization
- 2) KEPIC: Korea Electric Power Industry Code
- 3) ASME: American Society of Mechanical Engineers



Quality Management (Consumers and End-users)

Strategy

Interaction with Strategy and Business Model

Hyundai E&C aims to provide sustainable and safe spaces to clients and customers through a wide range of construction projects, including residential, commercial, and infrastructure developments. We recognize that consumer safety, product and service quality, transparency of information, and sustainability are critical factors that have a signficant influence on corporate reputation and long-term growth. This year's double materiality assessment identified key issues such as customer and consumer health and safety, user convenience, and ecofriendly value delivery as directly impacting Hyundai E&C's business model and strategy. Accordingly, quality management strategies have been integrated into the business model.

Hyundai E&C reinforces quality control across all projects with top priority placed on customer health and safety, and develop technologies to meet evolving consumer needs, not only offering completed spaces but also enriching everyday life. The company improves its products and services and continuously expands customized customer offerings by collecting consumer feedback through communication channels such as customer surveys on service improvements, resident meetings, and Voice of Customer (VOC) programs. By disclosing key information such as sales details with transparency and mobilizing a rapid response system when an issue arises, Hyundai E&C continues to strengthen customer trust and brand value.

Through this strategic approach, we have placed the safety and satisfaction of consumers and end users at the core of our values, linking them with our business model to drive sustainable growth, achieve competitive edge, and fulfill our social responsibility.

Key Risks and Opportunities Related to Quality Management

Hyundai E&C has identified quality management-related risks and opportunities that could reasonably be expected to have an impact on the company's outlook and has outlined the following potential financial impacts.

Risks

Category	Identified Factors	Time Horizon ¹⁾	Impact on the Business Model and Value Chain	Potential Financial Impact
Legislations and Policies	Regulations such as Construction Technology Promotion Act	Short-term / Mid-term	Disadvantages in winning new projects and carrying out sales activities due to penalty points or sanctions due to violations of law	Costs due to tighter quality management systems for legal compliance Costs associated with legal procedures (litigation costs, damage compensation, penalties, and fines, etc.)
Technology	Quality Defects	Short-term / Mid-term	Project delays caused by redesign and repair due to quality defects, and increased costs of maintenance and repair for quality issues	· Project delays caused by redesigning and repairs, and costs associated with maintenance for quality issues

Opportunities

Category	Identified Factors	Time Horizon ¹⁾	Impact on the Business Model and Value Chain	Potential Financial Impact
Technology	Technology-based quality management	Mid-term / Long-term	· Increased demand for smart construction technology	· Increase in revenues in line with enhanced competitiveness and reduction in maintenance and repair costs
Reputation	Increased consumer preference	Short-term / Mid-term / Long-term	Securing trust from customers and the community and improved brand reputation and corporate image	· Increase in revenues driven by improved brand reputation and corporate image

1) Based on reporting periods with Short-term: (~1 year), Mid-term: 1~5 years, Long-term: 6 years or longer

Quality Management (Consumers and End-users)

Strategy

Financial Impact from Risks and Opportunities

[Legislative and Policy-related Risks] Regulations such as Construction Technology Promotion Act

Timing of Occurrence	Short-term / Mid-term	Likelihood of Occurrence	High			
Magnitude of Impact	High	Scope of Impact	Domestic			
Financial Impact	Hyundai E&C defines quality inspection costs related to the enhancement of its quality management system, as well as costs associated with ongoing lawsuits concerning quality management (e.g., defect repairs) as financial impact. Inspection–related costs are reflected in selling and administrative expenses, while litigation–related costs are recognized as provisions for legal claims ¹⁾ in the balance sheet. The total financial impact during the reporting period was confirmed to be KRW 12.4 billion ²⁾ . Since it is currently difficult to isolate quality–related expenditures embedded in construction site costs, key quality inspection costs required for regulatory compliance were used as the basis for calculating financial impact during the reporting period. In the short term, these costs are expected to increase as we strengthen our quality management system. However, over the medium to long term, such enhancements are expected to strengthen Hyundai E&C's competitiveness in securing future projects.					
Implications	Quality risks can cause significant human and material damage, leading to substantial social costs and serious business disruptions. Multiple cases of substandard construction cases have been uncovered recently, resulting in business suspensions and lawsuits filed by customers against certain construction companies. Accordingly, litigation risks related to construction defects have been identified as a key issue. In January 2023, a revision to the Construction Technology Promotion Act came into effect, changing the penalty point system from an average-based to a cumulative-based method. Sanctions tied to these penalty points have also become more stringent, newly incorporating restrictions on pre-sale and eligibility for public project bidding. As a result, the risk associated with penalty point management has increased substantially. To address this, Hyundai E&C has established and implemented a range of preventive strategies. As of April 2025, the company has maintained a zero-penalty record under the revised system and is working to minimize related risks in response to regulations.					
Response Strategy	Hyundai E&C operates a step-by-step quality macustomer trust. At each construction phase, exp the quality management system, and areas requito senior management and reflected in the conevaluated both quantitatively and qualitatively and preemptive inspections are conducted to prevaluated.	erts conduct dir iring improveme npany-wide qua cross major work	rect assessments on risk factors, the adequacy ont. The results of these assessments are reported ality strategy. In addition, construction quality is sectors (e.g., infrastructure, building, and plant)			

¹⁾ Please refer to note "2,2 (14) Provisions" of the Financial Statements in the company's Annual Report for details on the company's accounting policies regarding

[Technical Risk] Quality Defects

Timing of Occurrence	Short-term / Mid-term	Likelihood of Occurrence	High			
Magnitude of Impact	High	Scope of Impact	Domestic			
Financial Impact	Hyundai E&C considers the cost of remedying quality defects as a present obligation – either legal or constructive – based on past events. When it is probable that the obligation will require settlement and the expenditure can be reliably estimated, we recognize a provision for repairs against defects. This amount reflects the estimated expenditures required to fulfill the obligation, taking into account relevant uncertainties. The provision for defect repairs is defined as the financial impact as of the end of the reporting period and is reflected in the income statement, The most recently reported provision for defect repairs was found to be KRW 67.5 billion ¹⁾ .					
Implications	Liability for defects arising from construction quality issues is governed by various laws, including the Construction Technology Promotion Act. In the event of such defects, construction companies are held accountable for defect warranties in accordance with the relevant regulations. These incidents can undermine construction and consumer safety as well as erode trust in the company. Consequently, when quality-related defects occur, construction companies are obligated to carry out repairs within a specified period, and project owners or consumers have the right to claim defect repairs and compensation for damages.					
Response Strategy	To address these risks, Hyundai E&C has obtained quality management certifications such as ISO 9001, ISO 29001 and ISO 19443. The company manages quality rigorously through the operation of its quality management system which includes Quality Management Check-up (QMC), evaluations of construction quality, and inspections aimed a preventing external penalty points. These efforts, along with various on-site quality inspection activities, are designed to ensure strict quality control and minimize risks associated with defect repairs.					

¹⁾ Separate basis

²⁾ The financial impact related to construction regulations, including the Construction Technology Promotion Act, during the reporting period comprised KRW 1.7 billion in quality inspection costs and KRW 10.7 billion in costs of legal procedures (e.g., lawsuits).

Quality Management (Consumers and End-users)

Response Strategy

Financial Impact from Risks and Opportunities

[Technical Opportunity] Technology-Based Quality Management

-	7- 37	,				
Timing of Occurrence	Mid-term / Long-term	Likelihood of Occurrence	High			
Magnitude of Impact	Medium	Scope of Impact	Global			
Financial Impact	Hyundai E&C is developing and adopting smart technologies continuously to improve the quality of its business operations. At the same time, by leveraging strong quality capabilities, we are seizing opportunities to enhance our competitiveness in securing contracts in the rapidly growing smart construction market. These efforts are expected to contribute to increased revenue and reduced costs associated with defect repairs.					
Implications	As industries increasingly adopt smart technologies such as Al and big data, Hyundai E&C is utilizing smart construction technologies to improve safety and quality. In particular, we have enhanced the efficiency of quality management by introducing a site-optimized quality management platform developed in-house for use in construction environments.					
	technologies. In addition, the company is enhabusinesses, increasing customer satisfaction by project sites, and resolving on–site challenges thr 699 patents related to smart construction technol	ancing constructions commercializing ough technical so	prough construction R&D and smart construction tion quality, improving competitiveness in new g proprietary technologies and applying them at support. As of December 2024, Hyundai E&C held wo patents, including a big data-based evaluation immercialized, and seven additional technologies			

▲ 2024 Key New Patents Related to Smart Construction Technologies

Acquisition Date	Description	Commercialization Status
Jan, 2024	Concrete integrity analysis device using artificial neural networks	Commercialization Stage
Feb, 2024	Method and system to predict construction site accidents based on artificial intelligence	Commercialization Stage
Mar, 2024	Furniture equipped with transforming wall and moving wall	Commercialized
Mar, 2024	Formwork including irregular formwork parts produced by 3D printing for small structures	Commercialization Stage
May, 2024	Integrated system for sodium bicarbonate regeneration and ammonia recovery	Commercialization Stage
Aug, 2024	Inter-floor noise reduction floor system for remodeling projects	Commercialization Stage
Aug, 2024	Tunnel inner survey robot capable of positioning via text recognition and associated surveying method	Commercialization Stage
Nov, 2024	Curtain wall construction system using BIM model information and real-time vision data	Commercialized
Dec, 2024	Caisson launching device and method using deep learning without requiring a floating dock	Commercialization Stage
▲ Key Achi	evements in Smart Construction Technology R&D	

1) BIM: Building Information Modeling

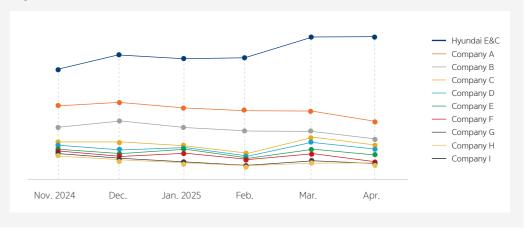
Drone-Based Quality Monitoring System	Improving Accuracy and Efficiency of Residential Cost Estimation Using Al and BIM			
Enhancing the efficiency of quality	Automating data collection and	Securing competitive edge and		
monitoring and risk prevention using	management; shifting quantity takeoff	improving productivity in curtain wall		
drone video analysis technology	processes to BIM1)-based workflows	installation using glass lifting robots		

[Reputational Opportunity] Growing Consumer Preference

Timing of Occurrence	Short-term / Mid-term / Long-term	Likelihood of Occurrence	High	
Magnitude of Impact	Medium	Scope of Impact	Global	
Financial Impact	Given that housing construction constitutes a sign consumer trust and increasing preference through	,	n of the domestic construction industry, building itiveness can have a direct impact on revenue.	
Implications	In the domestic construction industry, recent incidents of serious defects caused by quality degradation in apartment construction have raised concerns about builders' quality capabilities, drawing heightened attention from stakeholders.			
Response Strategy	value of Hillstate and The H. Based on these eff Hyundai E&C has maintained the No. 1 position in	forts, we have s winning urban n Brand Index, K	redevelopment contracts for six consecutive years orea Standard Quality Excellence Index, and Brand	

Brand Reputation Survey of Korean Construction Companies

- · Based on the Brand Reputation Index by the Korea Corporate Reputation Research Institute (covering a six-month period from November 2024 to April 2025)
- · The Brand Reputation Index is calculated by extracting brand big data and analyzing consumer behavior. It classifies data into participation value, communication value, media value, community value, and social value, applying weighted positive/ negative sentiment ratios.



Quality Management (Consumers and End-users)

Risk Management

Quality Management Policy

Hyundai E&C fully recognizes the critical importance of guality management in earning customer trust and achieving sustainable growth. Accordingly, in January 2025, we established and announced a new quality guideline applicable to all business sectors and projects. The updated guideline emphasizes strict compliance with quality standards and regulatory requirements, while underscoring the need to strengthen the quality of core execution through expertise and dedication. It also aims to identify potential quality risks proactively through responsible quality management and to address them via systematic and transparent procedures. Furthermore, the policy seeks to foster collaboration and innovation grounded in communication and empathy to achieve quality objectives and advance smart quality systems. This guideline is more than a declaration; it is intended to serve as the very foundation to support Hyundai E&C's sustainable growth and enhance customer value through practical implementation and continuous improvement of its management system.

Operation of Quality Management Certification Systems

Since becoming the first Korean construction company to acquire ISO 9001 (Quality Management Systems) certification in 1993. Hyundai E&C has maintained the certification continuously while enhancing its quality competitiveness. To gain an edge over our competitors in the global plant market and expand into the large-scale petrochemical and gas plant sector, we became the first Korean general contractor to obtain ISO 29001:2020 (Quality Management Systems for the Petroleum, Petrochemical, and Natural Gas Industries), Hyundai E&C also holds domestic KEPIC and international ASME certifications for nuclear projects, In 2024, we further acquired ISO 19443:2018 (Nuclear-Specific Quality Management Systems) certification to prepare in advance for entry into European nuclear markets such as Bulgaria and the UK, Going forward, Hyundai E&C plans to maintain rigorous recertification processes for ISO, KEPIC, and ASME standards while building and operating an effective quality system across all phases - design, procurement, construction, and commissioning - to implement systematic, certification-based quality management.

▲ Quality Management Guidelines and Objectives



Quality Training

Hyundai E&C operates company-wide quality training programs to foster highly skilled future construction professionals. These programs are offered both online and offline, contributing to improved on-site productivity and technical competence through the development and distribution of manuals designed to improve capabilities for quality and process execution. In particular, the Q-Academy provides training on on-site quality practices, key focus areas, and quality systems for new quality managers (both experienced hires and new employees) while offering comprehensive education that helps develop a broad understanding of field operations through Q-Pocket hands-on training. In addition, Hyundai E&C enhances quality managers' competencies by operating an online training system for continuous learning and regularly conducts mindset training for field supervisors and practitioners, improving overall site quality. Through ongoing education, we aim to cultivate top talent and further enhance the efficiency of our quality management.

▲ Quality Training Conducted in 2024

	Training Program	Audience	No. of Trainees	
		Field supervisors	133	
	assurance	Field practitioners	365	
Q-Academy Quality Training		Technical Training Institute Dept. of Quality	46	
		Experienced quality managers hired recently	714	

▲ ISO 9001, 29001, 19443 Certifications



Certification Standard: ISO 9001 Certification Body: LRQA Scope of Certification: Entire business operations and support functions Validity Period: Until Dec. 31, 2026.



Certification Standard: ISO 29001 Certification Body: LRQA Scope of Certification: Entire business operations and support functions for petroleum and natural gas Validity Period: Until Dec. 31, 2026,



Certification Standard: ISO 19443 Certification Body: LRQA Scope of Certification: Entire business operations and support functions for nuclear energy Validity Period: Until Aug. 6, 2027

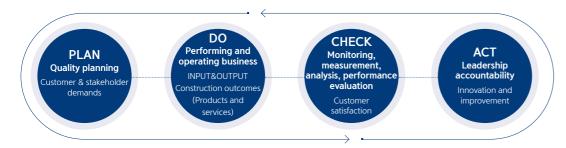
Quality Management (Consumers and End-users)

Risk Management

Consumer and End-user Engagement Process

Hyundai E&C's quality management system pursues customer satisfaction based on customer and stakeholder requirements. In the planning (PLAN) phase, the company listens to consumers and end users' voices, using the inputs to enhance the quality of construction outcomes during the execution and operation (DO) phase. Through our input-output process, we monitor and measure the quality of products and services continuously to evaluate performance (CHECK). Hyundai E&C also pursues continuous improvement and innovation through leadership and management responsibility (ACT) to enhance customer satisfaction. This consumer-centric approach provides a solid foundation for effectively managing the various risks and opportunities the company may face.

▲ Quality Management System (PDCA)



Customer Complaint Channels for Quality Issues

Hyundai E&C's H−Dudrim 🖊

Hyundai E&C operates H-Dudrim, a dedicated customer service channel for customers of the company's housing projects, offered through its digital reporting platform, to effectively address concerns raised by consumers and end users. The channel is divided into Hillstate Dudrim and The H Dudrim, offering tailored services for easier access and convenience, H-Dudrim minimizes customer inconvenience by providing one-on-one online consultations for general inquiries as well as A/S and defect repairs. This complaint handling system is focused on directly reflecting customer voices and enabling swift resolution of issues, thereby strengthening trust with consumers.

Actions to Mitigate Quality-Related Risks and Manage Opportunities

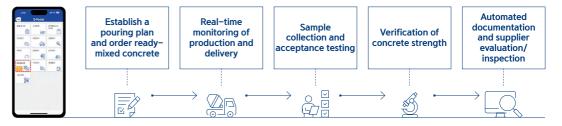
Hyundai E&C strictly complies with quality standards and regulatory requirements across all operations, and implements on-site quality support (Q-Support) and penalty prevention inspections to enhance execution capabilities. To proactively prevent and manage quality risks systematically, the company conducts quality assessments and inspections at each phase of execution, ensuring responsible quality management. Additionally, we operate an integrated on-site quality management platform (Q-Pocket) to streamline processes and enhance efficiency through real-time monitoring of quality, thereby effectively achieving our quality performance goals. In 2025, all members of Hyundai E&C will remain committed to achieving the highest standards of quality.

Introduction of Smart Quality Management

Smart quality management is a system that maximizes the efficiency of on-site quality control by leveraging artificial intelligence (AI), big data, and the Internet of Things (IoT). In February 2018, Hyundai E&C became the first construction company in Korea to develop and implement Q-Pocket, a mobile-integrated quality management system. By digitizing repetitive and manual paperwork, the system has significantly improved the efficiency of quality control at construction sites. It simplifies the process of monitoring, identifying, and resolving quality issues during construction, contributing directly to on-site quality improvement.

In June 2023, we registered Q-Pocket technology in the "Smart Construction Technology Field" under the Ministry of Land, Infrastructure and Transport to secure external credibility. In December 2022, we developed Q-Con, a system for preventing issues related to concrete quality, which is now deployed across all domestic sites. Hyundai E&C's technological capabilities were further recognized with related patents obtained in December 2024 and March 2025. QCON automates the review of quality documentation based on years of accumulated concrete data, uses AI to predict concrete strength at different ages after pouring, and quantifies the quality of ready-mixed concrete suppliers, thereby improving on-site efficiency and ensuring high-quality concrete. The system has proven its effectiveness, with the defect rate in compressive strength steadily declining from the second half of 2022 to 2024. In addition, the company has introduced Q-Coupon, a quality incentive system for workers, aimed at encouraging early detection and prompt repair of quality defects to prevent major construction issues. Through these various systems and initiatives. Hyundai E&C continues to innovate site quality management and contribute to building a safer, higher-quality construction environment.

▲ QCON 2,0 Concrete Problem Prevention System



Quality Management (Consumers and End-users)

Risk Management

Action to Mitigate Quality-Related Risks and Managing Opportunities

Quality Management Check-up (QMC)

To achieve its goal of maintaining "the highest level of quality," Hyundai E&C conducts on-site quality inspections at each phase of project execution, addressing quality risks proactively. A data-based system has been established to manage these risks, utilizing the Hyundai Project Management System (H-PMS) to assess compliance with legal requirements. Through these efforts, we operate the Quality Management Check-up (QMC), covering all aspects of quality control. We also streamline on-site quality processes to maximize work efficiency and plan to expand QMC using customized checklists aligned with the Construction Technology Promotion Act and ISO 9001:2015, ensuring compliance with both domestic and international standards. Hyundai E&C remains committed to continuous quality improvement and innovation, placing customer trust and satisfaction at the forefront.

On-site Quality Third-Party Inspection (Q-TPI)

Hyundai E&C conducts on–site Quality Third–Party Inspection (Q–TPI) to assess the quality levels of sites and suppliers throughout all construction stages. These inspections are carried out by in–house quality experts and external quality assessment firms to identify and address the causes of quality issues at each site. A comprehensive evaluation of ongoing work processes is conducted to detect material, recurring, or design–related defects, while also assessing the quality management systems and mindsets of employees and suppliers to analyze the causes of any quality issues and propose appropriate solutions. Corrective actions are taken based on these findings to improve sites with nonconformities, and monitoring is carried out by reviewing and revising design and construction standards and providing feedback on the evaluation results.

To foster a shared commitment to high quality through active communication with business divisions, project sites, and partner companies, we hold regular quality management meetings with business divisions and share quality inspection results and key issues, and respond jointly to low–quality sites and suppliers.

In addition, Hyundai E&C holds company-wide quality management briefings to enhance understanding of quality guidelines and objectives, foster alignment, and strengthen a quality-oriented mindset across all sites. For suppliers, technical quality workshops are conducted to share quality defects by work process as well as cases of major defects and legal disputes, with the goal of promoting improvements in construction methods and technologies.

▲ Quality Risk Management Process

Category	Description
On-site Support	· Assist deployment of a quality system through Q-Support
On-site Inspections	Assessment of construction quality: All sites QMC : All sites Q-TOS assessment: All domestic sites (steel structures /PC/window works) Penalty prevention inspection: All domestic sites
Issue Identification	· Check for vulnerabilities at all domestic and overseas project sites · Issue PCR (Potential Corrective Report) recommending corrective measures for potential flaws
Improvement Measures	· Check if corrections have been carried out through feedback inspection
Evaluations and Horizontal Deployment	· Identify improvements through a council between headquarters and project sites · Training and sharing of best practices

Quality Risk Management

Inspection for Prevention of External Penalty Points

Hyundai E&C has established regulations for inspections to prevent external penalty points based on the Enforcement Decree of the Construction Technology Promotion Act and the "Penalty Point Management Criteria for Construction Works." These inspections aim to minimize quality management risks arising from noncompliance with quality–related laws and standards. Using a focused checklist of 19 items, Hyundai E&C monitors and reports inspection results across all active domestic sites to prevent the imposition of penalty points preemptively. Through this process, we raise the level of quality management continuously and strive to deliver reliable services to customers.

New Business Quality Management

Hyundai E&C is strengthening the internal and external competitiveness of its nuclear power business by adhering to KEPIC power technology standards and ASME nuclear quality assurance certifications. We also lead quality control for Off–Site Construction (OSC) from the headquarters level, managing quality risks in factory manufacturing proactively while supporting the expansion of the OSC market. In addition, we implement focused management of low–quality ready–mixed concrete suppliers and operate a real–time monitoring system for concrete shipment data to ensure quality control. Through these efforts, Hyundai E&C systematically manages quality in new business areas resulting from diversification of portfolio.



KEPIC Certificates

Quality Management-Linked Performance Compensation System

Hyundai E&C integrates quality management KPIs into its employee performance evaluation indicators to support effective quality control. Approximately 5% of each division's KPIs are allocated to performance related to defect prevention aimed at improving quality, linking executive compensation to quality outcomes. Incentives are awarded to sites that demonstrate excellence in quality implementation or leadership in quality management. Moreover, outstanding employees who achieve exceptional results receive special rewards in recognition of their performance.



To ensure high-quality standards in residential housing, Hyundai E&C operates the Family Quality Inspection program, Under this initiative, employees' family members participate part-time in on-site quality inspections, offering an external perspective to help identify potential defects in advance and prevent quality-related risks. This approach enhances the overall quality level at construction sites, minimizes defect-related costs in the future, and contributes to improved customer satisfaction and continuous quality improvement.

Quality Management (Consumers and End-users)

Risk Management

Quality Risk Management

Kev Measures for Clients and Consumers

Building on 61 years of apartment construction history, accumulated construction expertise, and advanced technologies. Hyundai E&C has consistently delivered differentiated value to customers, From the early "Hyundai Apartments" to today's "Hillstate" and "THE H." we have redefined residential spaces - not just as places to live, but as environments that shape new residential cultures. Our people-centric approach has not only transformed individual lives within the home but also shaped the culture surrounding apartment complexes and cities. Hyundai E&C has introduced the Neoframe construction method, enabling flexible spatial layouts and personalized configurations. This construction method overcomes the structural limitations of conventional apartment buildings, where it was difficult to modify interior walls. By supporting the building's load solely with columns and beams, the Neoframe construction method enables easy reconfiguration of interior spaces to accommodate changes in lifestyle and household composition, offering high-end, personalized living solutions. Hyundai E&C was also the first in the industry to develop and commercialize a Grade 1-rated inter-floor noise reduction structure, enhancing residential comfort and safety. In further demonstration of our unwavering commitment to quality, we offer an unprecedented five-year free defect repair service for "THE H" complexes, maximizing quality value that customers can experience firsthand. In addition, Hyundai E&C is actively preparing for customer-centered spatial innovation by introducing personalized residential spaces and differentiated services, such as gene-based health prediction technologies and the "All Life Care House," which reflects individual lifestyles.

▲ Personalized Living Spaces and Services

1 Clean living environment 2 Nutrition / Meal care



- · Antiviral air purification system
- · Optimal control of indoor environment control

Sleep care



- Sleep monitoring · Optimal control of sleep
- environment Medical care



- Al health consultation
- Telemedicine



· Detecting everyday illness symptoms

4 Emergency response / Health sensing

· Fall and emergency response system

6 Exercise care



- Personalized body shape analysis
- · Al-based exercise diagnosis and coaching

Metrics and Targets

Quality Management KPIs

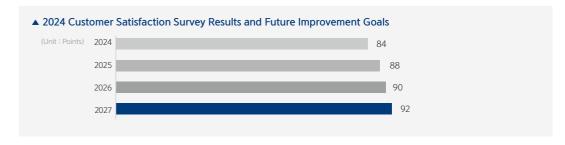
Hyundai E&C has established and implemented internal quality KPIs to strengthen quality management. We evaluate on-site quality systematically through quality assessments conducted by headquarters and each business division, and set detailed indicators for quality management check-ups (QMC) and smart quality components. When penalty points are imposed as a result of serious defects or external inspections, the affected project's rating is downgraded and a penalty is applied. Conversely, when best practices in quality are recognized, the project rating is upgraded through incentive measures, promoting continuous improvement.

▲ Composition of Quality KPIs

Category	Description			
Quality assessment	· Q-Audit team assessment · Assessment by the concerned business division			
QMC quality assurance index	· QMC score for each area			
Smart Quality	· Current status of smart quality management such as Q-Pocket, etc.			

Customer Satisfaction Survey

Hyundai E&C conducts customer satisfaction surveys targeting domestic and international clients, including project owners, supervisors, and designers, to improve its quality systems based on customer expectations and requirements. In 2024, we achieved a satisfaction score of 84 points, marking a 3-point increase from the previous year's 81. To further enhance customer satisfaction, we plan to strengthen employee capabilities through reinforced online training programs. Hyundai E&C is also working to promote internal and external communication, sharing quality management issues at project sites and conveying top management's commitment to quality through on-site quality briefings. In 2024, Hyundai E&C maintained its No. 1 position in urban redevelopment project contracts for the sixth consecutive year and achieved top rankings in the Premium Brand Index, Korea Standard Quality Excellence Index, and Brand Reputation Index.



OVERVIEW MATERIAL TOPIC **ENVIRONMENTAL** **GOVERNANCE**

APPENDIX





2025 HYUNDAI E&C Sustainability Report



ENVIRONMENTAL

ESRS-E1

Construction builds the foundation for human life but can also have negative impact on the environment on account of waste generation, air pollution, and noise. Hyundai E&C strives to minimize these environmental impacts by identifying environmental risks precisely from the earliest project stages and building systems that reduce pollution across the entire value chain. We also apply our own environmental standards that go beyond global requirements, enabling agile responses to evolving domestic and international regulations.

Impacts, Risks, and Opportunities (IRO) Related to Environment

Impact



Description









▶ Negative environmental impacts from business activities (e.g., environmental pollution, effects on local communities, degradation of the ecosystem)

Hyundai E&C's Response

▶ Integrated management based on environmental management systems and related training programs

Impact









• Reduction of waste generation and conservation of natural resources through expanded reuse and recycling of raw materials

Hyundai E&C's Response

Entrusted recycling treatment of construction waste

Risk & Opportunity



Description

 Increased compliance costs due to stricter environmental regulations, and financial penalties and remediation expenses in case of violations

Hyundai E&C's Response

▶ Development and application of environmental pollution control technologies



Description

 Transition to a circular economy business model through the expanded use of eco-friendly construction materials, revenue diversification and greater revenue stability

Hyundai E&C's Response

 Portfolio diversification through increased use of eco-friendly materials

Governance

Environmental Management Organization

APPENDIX

Hyundai E&C operates a dedicated Environmental Management Team that oversees site-level environmental management, working in coordination with the Sustainability Management Team to plan and implement environmental policies systematically. Each project site proactively identifies and addresses environmental issues, while training programs are conducted to strengthen the environmental management capabilities of relevant personnel. Key ESG initiatives and progress on the carbon neutrality roadmap are reported regularly to the Corporate Governance and Communication Committee and the Board of Directors through the Sustainability Steering Committee, thereby establishing company-wide transparent and reliable governance.

▲ Environmental Management R&R and Organizational Structure



Strategy

Environmental Management Strategy and Guidelines

by business division

As environmental regulations turn more stringent globally and eco-friendly management emerges as a key component of corporate competitiveness, Hyundai E&C has established the environmental management vision of "Global Green One Pioneer" and is striving to grow as a leading global green company. We have implemented a four-phase environmental strategy targeting 2050, promoting systematic responses across all business operations. While maintaining strict compliance with domestic and international environmental laws and regulations, Hyundai E&C continues to embed environmental values into its management activities. Notably, we have maintained eco-friendly practices without incurring any fines over USD 10,000 for environmental regulation violations in the past five years, From groundbreaking to completion of a project, major environmental risks such as fugitive dust and waste are managed proactively at construction sites. Hyundai E&C has distributed a company-wide "Environmental Management Guide Map" to ensure compliance with the latest legal changes and to improve site-level environmental performance, Furthermore, environmental policies have been established and are being continuously improved across the company's core partners in distribution, logistics, due diligence, and M&A.



capital

Enhancing management strategies for

protection of biodiversity and natural

Impact, Risk and Opportunity Management

Environmental Management System

Environmental Management Policy

Hyundai E&C's Environmental Management Policy

Hyundai E&C maintains an environmental management policy to improve its environmental performance continuously and minimize negative environmental impacts throughout its business activities and value chain. Major ESG policies including environmental management are analyzed for review and revision by the Corporate Governance and Communication Committee under the Board of Directors, with participation from top-level or key decision-makers. These policies apply to all production activities and business units of Hyundai E&C and its affiliates, and compliance is recommended across business partners and the supply chain, including venders, suppliers, and contractual partners. They define the implementation framework for environmental management, including training aimed at reducing impacts related to raw materials, energy, water, greenhouse gases, pollutants, and local communities. Accordingly, we develop and implement the policy within the scope defined in consultation with external stakeholders.

Hyundai E&C's Environmental Management Guidelines

- Recognize the environment as a core factor for business success and fulfill social responsibility by creating corporate value through active environmental management.
- 2) Set achievable targets for climate change response and assess implementation performance.
- 3 Strive to ensure the sustainable use of resources and energy and reduce pollutants throughout the entire product life cycle from development and production to sales, use, and disposal.
- 4 Actively support suppliers in their environmental management efforts and establish and implement the necessary standards to enforce eco-friendly supply chain policies.
- 6 Comply with domestic and international environmental laws and agreements and establish and implement the necessary policies to promote environmental management.
- 6 Protect biodiversity, minimize deforestation, and preserve natural environments.
- Improve our environmental performance continuously and disclose outcomes to employees and stakeholders based on reasonable and objective criteria.



Actions to Mitigate Environmental Risks

Integrated Environmental Performance Management System: H-PMS

To realize sustainable construction, Hyundai E&C has established a systematic environmental performance management system by incorporating digital technology. We have developed the IT-based Hyundai Project Management System (H-PMS), which enables efficient management of environmental performance across all business sites by categorizing key environmental elements such as air, water, soil (waste), and noise/vibration. H-PMS is also linked to ISO 14001 and ISO 50001 certified management systems to comprehensively manage environmental planning, execution, monitoring, and improvement activities, including energy usage and GHG emissions, and to conduct quarterly internal audits company—wide. In particular, H-PMS contributes to the advanced management of GHG emissions by analyzing and managing energy usage, consumption, and efficiency systematically based on data.

▲ ISO 14001, ISO 50001 Certifications



Certification Standard: ISO 14001 Certification Body: LRQA Scope of Certification: Entire business operations and support functions Validity Period: Until Nov. 18, 2026.



Certification Standard: ISO 50001 Certification Body: LRQA Scope of Certification: Entire business operations and support functions Validity Period: Until Nov, 18, 2026,

Enhanced Environmental Inspections

To respond proactively to environmental risks and improve on-site environmental management, Hyundai E&C conducts regular inspections and operates a site environmental assessment system. In 2024, we strengthened this process by increasing the frequency of assessment from once to twice a year (first and second half). A total of 190 environmental assessments were conducted across 105 sites, including support for 15 newly launched sites, representing a significant expansion in inspections and support compared to the previous year.

▲ Detailed Items of the 2024 Environmental Site Assessment

Environmental Criteria for Site Evaluations	No. of Items	Environmental Criteria for Site Evaluations	No. of Items
Air	47	Noise	20
Waste	43	Other	9
Water	24	Management System	31

Impact, Risk and Opportunity Management

Environmental Management System

Environmental Training

To strengthen the capacity to implement environmental management, Hyundai E&C conducts regular environmental training for both headquarters and site-based environmental managers, including employees and supplier supervisors. In particular, we conduct environmental training and site-specific emergency drills at least once every half-year to enhance environmental awareness and the ability to respond to environmental incidents. The results of these activities are recorded and managed in the H-PMS system. The implementation and participation rates of training and drills are monitored through on-site environmental evaluations, and the programs are improved continuously to maximize their effectiveness. In 2024, Hyundai E&C conducted 352 on-site environmental management training sessions across 101 sites for employees and suppliers' workers. Through these efforts, we are striving to equip field workers with proper response protocols and help them internalize practical response capabilities in the event of environmental incidents.

▲ 2024 Environmental Training Status

Trainer	Program Title	Program Title Description		Training Period	
HQ Environ- mental Manager	Site Environment Management Training	Standards on managing air, waste, noise, water, and soil, Case studies of outstanding environmental facilities, legal violations, energy reduction, and GHG mitigation	Employees and supplier managers	Evaluations, inspections, support	
	Site Environment Management Criteria	Environmental R&R, Standards on managing air, waste, noise, water, and soil			
	Awareness on Emergency Reduction of Fine Dust	Standards and response to high-concentration fine dust emergency reduction measures	_	At least once every half year at each site	
	Environmental Issues Awareness Training	Communication on environmental regulations and key issues	Employees and supplier workers		
Site Environ-	Case Study of Environmental Law Violations	Training on violation cases related to air, waste, noise, water, and soil	_		
mental Manager	Environmental Training for New Workers	8 essential environmental norms to observe	_		
	Environmental Training for Key Processes	Material arrangement and site housekeeping	Suppliers' workers		
	Training for Biodiversity	Definition, significance, trends, case studies, and conservation efforts	Employees	Throughout the year	
	Other Environmental Training Complaint management, environmental assessment dissemination of inspection results		Employees and supplier workers		

Enhancing Awareness and Investment in On-site Environmental Management

Hyundai E&C is committed to strengthening employees' awareness of on-site environmental protection and improving environmental management practices systematically. In 2024, we shared 12 "Environmental Regulation and Issue Communications" across all workplaces. To elevate on-site environmental management, Hyundai E&C established a standardized facility operation system by setting criteria for environmental facility installation and sharing best practices. Since 2023, we have also redefined budgeting standards for environmental management expenses to ensure the proper installation of necessary facilities and to actively implement environmental mitigation activities.

Establishment, Development, Promotion, and Evaluation of Safety and Health Management Culture

Environmental Management Incentives for Employees

Hyundai E&C operates various reward and support programs to recognize and promote achievements in the development of eco–friendly technology, carbon emission reduction, and energy savings. In 2024, employees who demonstrated outstanding performance in the field of Climate Action were awarded, with exemplary cases shared company–wide to raise awareness of climate response across the organization. To enhance environmental expertise, Hyundai E&C continues to support the acquisition of certifications such as LEED–AP and offer diverse incentive programs. Since 2023, 6% of the KPIs for business unit manager (excluding quality and safety roles) have been allocated to environmental management, with incentives or penalties applied based on performance. In addition, we evaluated outstanding completed sites, assessing performance against climate–related indicators such as GHG and energy reduction targets and operation of green environment systems from groundbreaking to completion. Based on the results, performance–based bonuses of up to 50% of base salary (varying by rank) are awarded. We will continue to actively support employees' environmental capabilities and foster a company–wide culture of climate action.

Environmental Excellence Awards

Hyundai E&C operates a reward program for sites with outstanding environmental performance using the H-PMS system. In 2024, domestic sites were evaluated based on the number of environmental violations, scores of H-PMS assessment, and the number of issued environmental checklists and nonconformity reports. As a result, six top-performing sites, including the Hillstate Hwanho Park 1st Complex site, were awarded. We plan to expand the scope of the program to raise the overall standard of site-level environmental systems and to further promote a culture of proactive prevention of environmental violations.

Voluntary Engagement by Employees

To encourage employee participation in eco-friendly activities, Hyundai E&C operates the CSR Mileage Program (combining social contribution mileage and green mileage systems) that extends its existing social contribution mileage system to include environmental actions. The Green Mileage component promotes carbon reduction by encouraging employees to join the carbon point program and eco-mileage program, which support household energy savings and GHG emissions reduction. By encouraging low-carbon behaviors in daily life, the program fosters a culture of voluntary environmental practice among employees.

CASE

Hyundai E&C Realizes a Sustainable Headquarters

Hyundai E&C is implementing sustainable upgrades to its headquarters by improving internal facilities to enhance energy efficiency. Between 2022 and 2024, we replaced 3,768 fluorescent lights (32W) with LED lights (18W), reducing electricity use by approximately 40%. Heat-blocking blinds were installed throughout the building, lowering indoor temperatures by 2°C during the summer. Additional measures included the installation of "health stairs" to reduce the use of elevator energy and the periodic replacement of aging windows to improve heating and cooling efficiency. Hyundai E&C has established a mid- to long-term roadmap to improve energy efficiency at its headquarters and thereby achieve carbon neutrality by 2045. Furthermore, we plan to complete LED lighting replacement in office areas and upgrade lighting control systems by 2027, followed by phased replacement of aging windows and exterior wall insulation work by 2030, ensuring continued energy performance improvements.

Impact, Risk and Opportunity Management

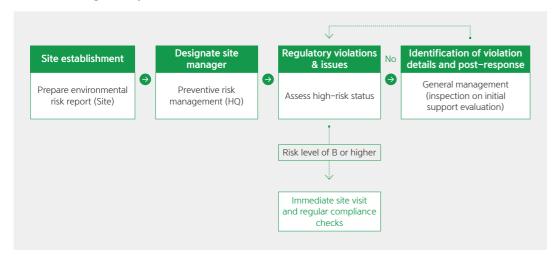
Environmental Management System

Environmental Risk Management

Site-Focused Risk Management System

Hyundai E&C conducts environmental risk and opportunity assessments at each site at least once a year to proactively identify site-specific risks. In addition, environmental and energy inspections are conducted at least once a week to ensure compliance with major environmental regulations related to air, noise and vibration, and waste. At the headquarters, a preemptive risk management system has been established to manage environmental risks systematically across all sites. Notably, for all new construction sites, an environmental risk report must be completed prior to project commencement. Sites that receive a grade of B or higher in the assessment are classified as high-risk and are subjected to immediate head office inspections or prioritized early-stage support. Hyundai E&C aims to conduct environmental risk assessments for 100% of new sites and is committed to company-wide, risk-based environmental management.

▲ Site Risk Management System



Site-Based Environmental Incident Prevention Training

Hyundai E&C conducts site–specific emergency response drills for environmental incidents at least semiannually and environmental training sessions at least quarterly for employees and supplier workers. The results are recorded and managed systematically through the H-PMS system. Compliance and engagement related to emergency drills are also verified through assessments of the site environment to maximize training effectiveness. In 2024, a total of 263 emergency response drills were conducted at 97 sites, with 7,861 participants.

▲ Response Strategy to Environmental Laws and Regulations

Environmental Legislation

Chemical Substances Control Act



Framework Act on Carbon Neutrality and Green Growth to Respond to Climate Change



Environmental Regulations Applicable to Sites (related to noise and vibration, air quality, and water quality, etc.)





Response Strategy

2025 HYUNDAI E&C Sustainability Report

- Material Safety Data Sheets ledger and chemical management ledger are classified and managed by work type and job category through the chemical management system within H-PMS
- The use, transportation, and storage of chemicals are checked regularly, and chemical safety accidents are prevented through on-site provision of Material Safety Data Sheets and training
- → Construction industry: Included in the GHG energy target management system
- Efforts are being made to reduce not only mandatory Scope 1 and 2 emissions, but also Scope 3 emissions by voluntarily assessing domestic and global emissions to curb GHG emissions (Achieved 679,954 tCO2e reduction from the previous year)
- Established the 2045 Net-Zero roadmap based on SBTi
- Operation of a 24/7 IoT system to manage noise and fine dust levels at sites
- Establishment of detailed guidelines for each process generating fugitive dust and distribution of company-wide guidelines fine dust emergency reduction measures based on relevant laws and regulations
- Biodiversity risk assessment focusing on areas near our business sites and protected areas
- Building and operating a waste management system linked to H-PMS (Hyundai-Project Management System)
- Preventing violations of environmental laws and regulations, and managing total volume and costs regarding waste in real-time
- Survey hazardous substance content such as asbestos prior to carrying out demolitions to protect workers from direct exposure
- Commissioning waste management to professional waste management companies when waste generation exceeds legal thresholds

Impact, Risk and Opportunity Management

Pollution ESRS-E2

Hazardous Chemical Management

In the construction industry, emphasis is increasing on a shift toward proactive and comprehensive management systems to prevent chemical–related accidents. In line with this trend, Hyundai E&C is strengthening its chemical management framework. The Hyundai Project Management System (H–PMS) manages chemical usage and Material Safety Data Sheets (MSDS) systematically by construction and work types. Regular inspections are conducted across the use, transportation, and storage stages to prevent potential harm based on the hazards and risks associated with each substance. A database has also been developed to record key hazard characteristics and risk information for chemicals, enabling more efficient management. At construction sites, MSDSs are made available, and workers receive training to prevent chemical accidents. We ensure full compliance with legal obligations related to hazardous chemicals and have also established internal guidelines on the use of heat sources during winter to prevent major industrial accidents and occupational illnesses. Hyundai E&C continues to strengthen its response system to key regulations such as the Occupational Safety and Health Act and the Serious Accidents Punishment Act.

Fine-Dust Emergency-Reduction Monitoring

As government and local authorities tighten regulations to curb high concentrations of fine dust and cut fugitive emissions at construction sites, Hyundai E&C has built a response framework tailored to each construction process to stay ahead of requirements. We develop and circulate detailed guidelines for tasks most prone to dust – permitting, stockpiling, excavation and quarrying, conveying, transport, loading and unloading, and outdoor cutting and grinding – and integrate them systematically into site operations. We have also issued company—wide fine—dust emergency—reduction guidelines that secure swift, consistent action when dust levels increase. The guidelines set out Level 1 measures for the "interest" stage and Level 2 and 3 measures for the "caution—warning—severe" stages. Once an emergency—reduction order is announced, the affected sites, regions, and required actions are posted on the corporate intranet, and special inspections on fugitive—dust are carried out to track compliance. Hyundai E&C maintains proactive environmental management by providing personnel at newly launched projects with training that reflects recent administrative actions and updated legal standards.

IoT-Based Noise and Fine Dust Management

Hyundai E&C is enhancing its IoT-based continuous monitoring system to reduce the environmental impact of noise and fine dust generated at construction sites. We have established a system that enables real-time collection and monitoring of noise levels and fine dust concentrations at each site by installing measurement devices connected to environmental IoT sensors. The collected data can be viewed immediately by site personnel and stakeholders through outdoor LED displays, PCs, and smartphones. If measurements exceed legal thresholds, the system enables rapid response through monitoring. We will continue to strengthen our environmental management capabilities by integrating digital technologies.

▲ IoT System for Continuous Management of Noise and Fine Dust



CASE



Hyundai E&C Revives Abandoned Land

Hyundai E&C strives for innovation in soil remediation through technology development and successful project execution. We have been engaged in various soil remediation projects for over 20 years, starting with the Gwangju unsanitary landfill restoration project in 2001 and continuing through to the ongoing remediation of complex contaminated soil at the site of former U.S. military base Camp Market. At a time when soil washing was not widely practiced in Korea, Hyundai E&C invested in in-house research and development, earning recognition through new environmental technologies, patents, and green certifications. Around 2022, Hyundai E&C successfully remediated the dioxin concentration in 11,031 m³ of contaminated soil at Camp Market in Bupyeong, Incheon, to 2.18 picograms - well below the target level of 100 picograms.



Soil washing facility for complex contamination at Camp Market



Acid leaching tank for decomposition of contaminants

Impact, Risk and Opportunity Management

Water Resources ESRS-E3



Water Risk Identification and Financial Impact Analysis

Amid worsening climate change and water scarcity, Hyundai E&C sought to identify water risks systematically at all domestic and overseas sites and strengthen its response capabilities. Using the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI), we analyzed water stress in the regions where those sites are located. Water stress, the ratio of demand to supply, varies with local water availability even when demand is stable; higher values can intensify competition among users, raise procurement costs, and expand operational risks,

Following WRI's classification criteria, we rated each site using WRI's five-tier scale - Low, Low-Medium, Medium-High, High, and Extremely High. Among 14 overseas sites, five - four in Saudi Arabia and one in the Philippines - were found to be in the High tier or above, while three sites - one each in Irag, Panama, and the Philippines - fell into the Medium-High tier. Furthermore, an analysis assuming the repeated occurrence of water resource risks at major overseas sites estimated potential financial losses ranging from approximately 160 million to 3.83 billion KRW annually. Hyundai E&C will continue to reinforce its leadership in water-resource management by pursuing technical and institutional improvements throughout the project life cycle to enhance the efficiency and sustainability of water use.

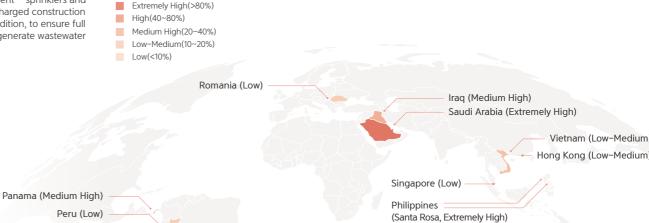
Minimizing Site Water Pollution

Hyundai E&C employs multiple measures to reduce water use during construction, In 2024, we issued a water recycling and management manual. As part of efforts to reduce water use, we have deployed high-efficiency equipment - sprinklers and fence-mounted misters - in place of water trucks for the suppression of fugitive dust, and we reuse discharged construction groundwater for sprinkling and cleaning temporary toilets after filing the required recycling notice. In addition, to ensure full compliance with water quality standards, Hyundai E&C operates treatment facilities at project sites that generate wastewater and conducts continuous testing water quality.

Efforts to Reduce Water Usage

Hyundai E&C is continuously working to minimize water consumption during construction and to elevate its overall management of water resources. In 2024, we issued a company-wide water recycling and management manual to enable systematic management of water reuse and conservation practices at all domestic and overseas sites. Most new projects launched in recent years have installed water-saving devices and water meters. Construction sites now employ grey-water recycling and rainwater-harvesting systems to curb water use. For control of fugitive dust, Hyundai E&C actively deploys high-efficiency equipment - sprinklers and fence-mounted misters - instead of conventional water trucks. Hyundai E&C has also set reduction targets for each site to reduce water use during the construction phase and to reuse water for purposes such as sprinkling and cleaning temporary toilets after filing the required recycling notice. Hyundai E&C targets to expand the installation of water-saving devices to reduce water consumption during the use phase of Green Building certified housing. To keep effluent within standards, we perform continuous water-quality testing and operate on-site treatment facilities at sites where wastewater is generated.

▲ Water Stress by Country for Ongoing Project Sites



(Apalit, Medium High)

^{*} The estimated figures reflect revenues only, and the financial impact may be greater if additional cost factors are taken into account,

Impact, Risk and Opportunity Management

Biodiversity ESRS-E4

Governance Roles and Responsibilities

As the highest decision—making body, Hyundai E&C's Board of Directors performs deliberations and resolves key matters related to biodiversity. By addressing biodiversity issues at the Board level, we ensure that biodiversity protection measures are aligned systematically with our overall business strategy. The executives in charge of environmental management and sustainability receive reports on the company's biodiversity—and deforestation—related policies and their implementation status, and work to apply biodiversity protection principles throughout all business operations. The dedicated Environmental Management and Sustainability Management Teams lead policy development and revision, conduct assessments on biodiversity dependency and impact, and establish and implement biodiversity management plans. The Environmental Management Team works to prevent negative environmental impacts in advance by establishing biodiversity management regulations and operating an internally developed system (H–PMS) for registering protected vegetation species. The Sustainability Team carries out external initiatives and operates the H–Nature Garden (biodiversity conservation) program.

Biodiversity Protection Policy

Hyundai E&C's Biodiversity Protection Policy 7

Hyundai E&C has declared its commitment to following the guidelines set by the International Union for Conservation of Nature (IUCN) and satisfy every national and local legal requirement where it operates. This commitment prevents environmental harm in advance and supports business activities rooted in customer and public trust. We abide by all biodiversity-related regulations in every activity and seek to lead biodiversity protection at each global site. To honor this pledge, we will introduce practical safeguards across our entire project life cycle. This policy applies to all employees at Hyundai E&C's domestic and overseas business sites and to all subsidiaries, branches, affiliates, granddaughter companies, and partners (including joint ventures). Upholding the principles of biodiversity protection is at the core of Hyundai E&C's business, and we expect the same rigorous adherence from all business partners, contractors, and vendors.

Deforestation-Prevention Policy

Hyundai F&C's Deforestation-Prevention Policy

Hyundai E&C strives to minimize deforestation at all global project sites. Responding to stakeholder expectations, we preserve green spaces in and around business sites, prevent degradation of local forest areas, and promote forest conservation and carbon storage. Hyundai E&C will engage in forest protection efforts to support a thriving natural ecosystem and carry out requested restoration work throughout the project period. We also aim to achieve Net Zero Deforestation by 2050 by expanding new afforestation and reforestation efforts. Working with external initiatives, Hyundai E&C will reduce deforestation and offset our carbon footprint through forest biomass energy projects to cut GHG emissions. We promote activities to reduce environmental impact and extend these efforts across partners and the supply chain. This policy applies to all Hyundai E&C business units, subsidiaries, and partners, and mandates strict adherence to the principles of forest protection. We will monitor legal compliance and forest protection performance at all sites and continuously improve the forest–protection practices of key partner companies.

CASE

Biodiversity Assessment

(Development of the Agricultural Bio-Complex in the Seosan Bio-Wellbeing Research Zone)

Hyundai E&C plans to develop a 541,095 m² special–purpose complex to promote the co–growth of agriculture, tourism, and leisure sectors and to facilitate the revitalization of rural economies through specialized industries. To evaluate potential effects on the surrounding ecosystem (flora and fauna), the company conducted an environmental impact assessment, including an assessment of biodiversity.

Direct and indirect surveys found no major wildlife habitats or movement corridors within the project site that support high population densities or ecologically significant taxa. However, the site and surrounding areas, composed primarily of farmland and rivers, are likely to serve as amphibian habitats and resting grounds for waterfowl. Some parts may also function as wintering grounds for certain waterbird species. Ecological and natural grades within the project zone were mostly rated as Grade 2 or 3, with no areas classified as Grade 1, zones requiring strict conservation or separate ecological management.

▲ Establishment of Key Mitigation Measures for Impacts on Flora and Fauna

Category	key mitigation measures for impacts on flora and fauna				
Flora and Vegetation / Terrestrial Insects	 Minimizing fugitive dust during construction (installing wheel-wash facilities, covering construction vehicles, and enforcing speed limits) Preventing external soil runoff (installing sedimentation basins) 				
Mammals	 Preventing indirect impacts from soil runoff (installing mitigation facilities like silt curtains) 				
Amphibians and Reptiles	Minimizing disturbance to major habitats (installing exclusion fences) Phased construction to allow time for relocation to similar habitats nearby				
Birds	 Minimizing impacts on nearby foraging and activity areas (preventing soil inflow and applying low-vibration, low-noise methods.) 				

Project Site for the Seosan Agricultural Bio–Complex Development

2025 HYUNDAI E&C Sustainability Report



Biodiversity Conservation Initiative (H-Nature Garden)





Hyundai E&C is collaborating with external organizations to run an educational program that will raise awareness of plant protection through a business agreement. In partnership with the Gangwon Province Nature Environment Research Park and the international relief organization World Vision, we established gardens of native and endemic plant species based on the regional environment within an apartment complex and on public land inside the Gangwon Park. Starting with the first H–Nature Garden of approximately 132 m² in 2023, Hyundai E&C expanded the project in 2024 by creating a 330 m² habitat for endemic and native plant species on public land at the Park. These gardens, developed jointly with World Vision, will serve not only as educational spaces for local residents to learn about biodiversity and its preservation, but also as training and experience sites for wildfire-affected communities and vulnerable groups in the Gangwon region.

(Top) H-Nature Garden at Hillstate Dunjeon Station, Yongin (Bottom) H-Nature Garden Business Agreement Signing Ceremony

Impact, Risk and Opportunity Management

Identifying and Assessing Natural Capital Risks

As biodiversity loss has emerged as an issue that can disrupt business operations and supply chains, it has become necessary to quantify a company's dependence and impact on natural capital, Using WWF's Biodiversity Risk Filter (BRF) and the Taskforce on Nature-related Financial Disclosures (TNFD) framework, Hyundai E&C conducted a systematic evaluation on how own operation and supply chain, near-site, upstream, and downstream, depend on and affect ecosystems. The study covered five domains and 24 indicators. "Dependency" measures how strongly construction activities rely on water, soil, air, and ecosystem services, while "Impact" gauges the positive or negative changes those activities may cause. Results show that our core projects depend heavily on availability of resources, air quality, and climate stability (e.g., heat-wave risk) and can significantly affect biodiversity through land-use change. Following this, we conducted a detailed natural capital risk analysis for 14 key operating regions and, using the Integrated Biodiversity Assessment Tool (IBAT), reviewed the number of IUCN Red-List species, protected areas, and areas contributing to biodiversity sustainability within 50 km of each project. These findings go beyond identifying current conditions; they are integrated into the company-wide risk management system and inform site selection, design review, and construction planning. Based on the analysis, Hyundai E&C applies the "Avoid, Minimize, Restore, Offset" hierarchy under its environmental-management, biodiversity-protection, and deforestation-prevention policies. In line with TNFD disclosure guidelines, we are building a transparent reporting system for natural capital data and are working first toward No Net Loss, followed by a Net Positive Impact by 2050.

▲ Hyundai E&C 's Natural Capital Dependency and Impact

Category Risk Type		Metric	Description	Materiality to Construction Business (0-5 Scale) ¹⁾
Dependency	_	Water scarcity	Access to provision of freshwater resources	3
	services	Wood resources	Access to provision of wood resources	4
		Availability of wildlife	Availability of wildlife and its byproducts	2
		Availability of marine life	Access to marine life	0
	Environmental	Soil quality	Soil fertility level	3
	status	Water quality	Quality levels of fresh water and sea water	2
		Air quality	Air quality level	4
		Ecosystem	Level of conservation of the natural environment	0
		Pollination	Environmental level for natural pollination	0
	Natural disasters	Landslides	Potential risk from landslides	3
		Wildfire	Potential risk from wildfires	3
		Plant/animal pests and diseases	Potential risk from plant/animal pests and diseases	0
		Herbicide resistance Impact from weeds with herbicide resistance Extreme heat Impact from extreme heat		1
				4
		Tropical cyclones	Impact from tropical cyclones	3
Impact	Pressures on Changes in land/fresh Impact on the natural environment from land use biodiversity water/sea water use changes		5	
		Loss of tree cover	Impact on losses from mulching	5
	Invasive species Impact from invasion of alien species		2	
		Pollution	Impact from pollution	5
	Environmental factors	Protection and conservation areas	Impact on major ecosystem protection and conservation areas	5
		Key biodiversity areas	Impact on key biodiversity areas (KBA)	4
		Other important delineated areas	Impact on other ecosystem conservation areas	4
		Ecosystem conditions	Conservation of the natural environment	4
		Range rarity	Impact on endangered species	3

^{*} Source:: WWF Biodiversity Risk Filter

▲ Assessment of Impact on Biodiversity

	Region	Dependency		,	Imp	act		Biodiversity	
Country		Provision- ing Services	Environ- mental Status	Natural Disasters	Pressures on Biodiversity	Environ- mental Factor	IUCN ¹⁾	Protected Areas ²⁾	KBA ³⁾
Korea	Seoul	4.5	4.0	3.0	2.6	3.0	47	134	10
Korea	Ulsan	3.3	2.3	3.5	3.8	4.0	52	70	1
Korea	Yongin	3.8	3.0	3.3	4.2	3.8	43	117	5
Korea	Uljin	3.3	2.3	3.5	4.1	4.0	38	65	0
Korea	Daejeon	3.2	3.3	3.9	4.2	3.1	13	85	1
Corea	Paju	3.8	2.8	3.9	4.2	3.8	47	124	9
Saudi Arabia	Ash Sharqiyah	4.2	4.7	2.8	2.3	1,5	60	3	2
Singapore	-	3.6	4.0	3.0	2.4	3.0	315	13	7
J.A.E	Abu Dhabi	4.8	4.5	2.4	3.5	3.0	68	7	1
Panama	Panamá	3.2	3.3	2.9	2.6	4.9	73	21	14
/ietnam	Quang Binh	3.5	3.6	4.6	3.7	4.7	166	4	5
Philippines	Manila	4.0	4.8	3.8	2.9	4.5	257	12	4
aq	Al Basrah	4.5	4.0	3.7	1.9	3.5	11	7	3
aq	Karbala	3.7	4.1	3,1	2,8	2.8	8	1	3

¹⁾ Number of endangered species in the IUCN Red List within 50km of project sites

¹⁾ Higher figures imply more material issues for the construction business

²⁾ Number of areas designated as national conservation areas, Natura 2000, Ramsar, etc. within 50km of project sites

³⁾ Number of Key Biodiversity Areas designated by Important Plant Areas (IPA) and Alliance for Zero Extinction (AZE) within 50km of project sites

Environmental Management

Impact, Risk and Opportunity Management

Biodiversity Risk Management

Hyundai E&C recognizes biodiversity conservation as a core pillar of its sustainability strategy and is strengthening its strategic approach to minimize negative impacts the construction industry has on biodiversity. We have established a biodiversity protection policy and develop systematic habitat conservation plans not only for our own operations but also for adjacent areas, as well as across the upstream and downstream supply chain. Specific plans include habitat protection, migration measures, maintenance of food chains, application of low-impact construction methods and equipment, and improvements to construction environments. In 2024, these measures helped protect 43 species at 10 project sites, Hyundai E&C has also expanded its management scope to include key suppliers, evaluating and improving their biodiversity protection practices continuously through its assessments of supply chain sustainability. These efforts are aligned with global trends toward integrating biodiversity conservation across entire supply chains, Furthermore, Hyundai E&C's process of establishing and revising policies for biodiversity protection and prevention of forest loss is supervised directly by the Corporate Governance and Communication Committee to promote company wide collaboration and resource alignment. This governance framework plays a key role in advancing Hyundai E&C's biodiversity strategy. In May 2024, Hyundai E&C provided company—wide training on biodiversity conservation, covering the importance of biodiversity in construction and highlighting examples of related initiatives, to support environmental and ecosystem protection during project execution. We will continue to enhance awareness across the organization and seek effective biodiversity management solutions tailored to the characteristics of the construction industry.

▲ Biodiversity Management Measurements

Areas for Priority Consideration	No. of Protected Species*							Key Management (Protection) Plan					
	iority Consideration EN VU NT I		LC Total		Habitat Protection	Migration Measures	Maintaining the Food Chain	Application of Low- impact Construction Methods	Application of Low-impact Equipment	Improving the Construction Environment	Description		
Gimpo-Paju Expressway, Section 2	3	3	3	10	19	•	•		•		•	Development of paddy fields, installation of alternative habitats, and application of low-noise, low-vibration TBM methods	
Busan Eco-Delta City Construction, Section 3-3	1	-	1	9	11	•				•	•	Plan to preserve Dunchi Island and reduce soil runoff through installation of temporary drainage channels	
Incheon New Port 1–2 Container Pier Lower Section Construction	1	1	1	1	4	•					•	Installation of silt curtains and establishment of measures for prevention of oil spill	
Geomdan-Gyeongmyeong-ro Road Construction	-	-	-	2	2	•			•			Installation of sedimentation basins and silt curtains, applicat of low-noise, low-vibration construction methods	
Wolgot-Pangyo Double-Track Railway Construction, Section 6	1	2	2	16	21					•		Use of low-noise, low-vibration equipment	
Gwangyang Port Dredged Soil Dump Site Formation	1	1	1	3	6	•						Installation of filter mats and silt curtains	
Busan Jinhae Free Economic Zone Waseong District Development Project	-	-	1	-	1	•	•					Plans to reduce suspended sediments, prevent pollutant discharge, and establish alternative habitats	
Hillstate Doan River Park (Phases 1, 2, and 3)	-	-	3	6	9	•				•	•	Plans for development of green spaces and parks; continued use of low-noise, low-vibration equipment	
Shaheen Ethylene Facility Construction	-	-	-	3	3		•					Plan to install additional ecological side ditches (escape routes)	
Innovative Nuclear Research Complex Construction	-	-	-	2	2		•					Installation of 15 artificial nests	

^{*} Classification based on the IUCN Red List criteria: EN (Endangered), VU (Vulnerable), NT (Near Threatened), LC (Least Concern),

Ban on Deforestation

Hyundai E&C recognizes sustainability of forest resources as a core environmental responsibility and is committed to achieving Net Zero Deforestation by 2050 through company-wide reforestation and forest protection initiatives. To this end, we are conducting afforestation and reforestation and reforestation activities at all domestic and international project sites, When necessary, we work with local communities and expert institutions to implement forest conservation and management programs, In particular, we are striving to remove GHG emissions through forest biomass-based carbon offset projects, while reinforcing environmental impact assessments and monitoring of impact on forest areas throughout the entire project cycle to prevent or minimize adverse effects on forest ecosystems. Hyundai E&C is also strengthening oversight on the use of forest resources across its supply chain. Certain wood-based finishing materials are procured exclusively from suppliers certified by the Forest Stewardship Council (FSC) or Healthy Building Material (HB) programs, and all procurement of paper products is restricted to FSC-certified items, in line with our responsible sourcing policy. Going forward, Hyundai E&C will expand its efforts not only to conserve forest ecosystems but also to increase carbon sinks and ensure sustainable sourcing of raw materials. Through these actions, we aim to strengthen our role as a business that balances climate action with the protection of natural capital.

Impact, Risk and Opportunity Management

Resource Use and Circular Economy ESRS-ES

Integrated Waste-Management System

To strengthen the systematic and transparent management of waste, Hyundai E&C operates an integrated wastemanagement system that links the Ministry of Environment's Allbaro platform with our own IT platform, H-PMS (Hyundai Project Management System). In 2023, Hyundai E&C upgraded the system to meet the revised national waste-management specifications, thereby securing a data-driven framework for improving waste-reduction performance. Using the upgraded system, we track types and volumes of waste and methods of disposal at each site in real time, and conduct annual analyses of waste generated at domestic sites for systematic management. By monitoring total waste quantities and associated costs by business department, contractor, and waste category, Hyundai E&C works proactively to prevent environmentalregulation violations and to minimize related risks.

Investment Expansion for Waste Minimization

Hyundai E&C is developing "High-Concentration Organic Waste to Integrated Biogas Energy" technology to enhance biogas conversion technology for organic waste. Leveraging an integrated demonstration biogas plant capable of processing 75 tonnes of diverse organic waste per day, the project aims to develop high-efficiency biogas production technology and validate its performance. The upgraded process improves pretreatment and digestion efficiency, boosting biogas output by 10% and reducing waste generation by 30% through a wastewater-treatment and sludge-recirculation loop. Site preparation began in 2024, and main construction of the demonstration facility is scheduled for 2025. Hyundai E&C will continue to strengthen its technological edge in the field of organic waste management to support the transition to a more sustainable construction industry and further contribute to the nation's carbon neutrality and circular economy objectives.

Recycled Building Materials

Hyundai E&C strives to reduce construction waste and minimize environmental impact by partially replacing conventional construction materials with recycled building materials. We will continue to expand the use of recycled materials to further reduce construction waste.

Waste Reduction and Recycling Efforts

Hyundai E&C implements environmental guidelines and standards across the entire value chain to reduce environmental impact during decommissioning and demolition processes and to promote resource circulation and protection of workers. We have established and strictly follow the "Waste Separation Standards," "Waste Management Guidelines," and "Air Quality Management Guidelines." The "Waste Management Standards" are distributed to all workers to encourage reuse and recycling, thereby reducing the volume of waste reaching landfills and incineration facilities. Specific action plans have been implemented, including the standardization of waste separation signage, expansion of waste categories, and strengthening of on-site guidance. For suppliers, Hyundai E&C incorporates waste management items into field evaluation criteria and provides incentives to top performers to encourage voluntary improvements. Additionally, we prioritize the use of recycled and aggregate materials when purchasing raw materials and entrust recyclable waste to designated collectors to increase resource utilization. Through these multifaceted efforts, Hyundai E&C achieved a 1,3% reduction in waste generation, from 1,289,671 tonnes in 2023 to 1,272,643 tonnes in 2024, while attaining a recycling rate of 99,97%, continuously improving its waste management performance.

CASE



Hyundai E&C Leads Resource-Circulating Biogas Projects

In July 2024, Hyundai E&C completed construction of the Siheung Clean Energy Center, Korea's first privately funded integrated biogas facility, and began full-scale biogas production. Located within the Water Environment Center in Siheung, Gyeonggi Province, the facility spans a total floor area of 33,430 m² and processes various organic waste streams - 540 m²/day of sewage sludge, 145 m²/day of food waste, and 60 m²/day of night soil generated in the city. By reducing the volume of waste and converting it into energy, the center enhances treatment stability while producing biogas. The biogas is upgraded through purification systems to generate approximately 4,6 million Nm³ of city gas annually, enough to supply about 8,283 households per day across Siheung. Recognizing the importance of establishing a resource-circulating energy system for future generations, Hyundai E&C actively engages in multiple energy projects, leveraging the technologies and expertise accumulated through its R&D and demonstration efforts. We will continue to lead the industry and build a sustainable ecosystem based on our competitive edge.



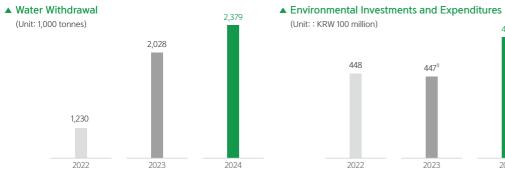
Siheung Clean Energy Center

APPENDIX

Environmental Management

Metrics and Targets

Metrics



- * Environmental investment and R&D expenditures combined
- 1) Data revised to reflect corrections to 2023 environmental investments and

AA71)

2023

2024

▲ Revenue from Energy-Efficient Buildings

Category		Unit	2021	2022	2023	2024
Energy-Efficient	Revenue (A)	KRW million	1,867,814	2,524,487	4,314,332	3,665,554
Buildings ¹⁾	Proportion	%	28	32	40	32
Revenue from Sustainable Products and Services (B) ²⁾		KRW million	2,861,979	3,908,182	5,449,698	6,458,065
Total Revenue from Sustainable Products and Services (A+B) ³⁾		KRW million	4,729,793	6,432,669	9,764,030	10,123,619
Proportion of Revenu Products and Services		%	46	54	62	61

^{*} Revenue is based on the separate financial statements

▲ Revenue from buildings with Green Building or LEED certification

Category	Unit	2021	2022	2023	2024	
Proportion of certified buildings	%	55	62	64	62	
Revenue from certified buildings	KRW million	4,182,863	5,378,721	8,298,865	8,772,374	
Revenue share from certified buildings	%	63	69	77	76	

^{*} Revenue is based on the separate financial statements

Targets

Minimizing Environmental Impact by Achieving "Environmental Penalty Zero" by 2030

Hyundai E&C has set a goal of achieving "Environmental Penalty Zero" by 2030 and systematically monitors the implementation of quantitative targets each year. For this purpose, we continue to expand investments in eco-friendly facilities and equipment and respond proactively to domestic and international construction environmental regulations through regular monitoring of compliance. At the headquarters, we practice energy conservation and resource recycling, while promoting environmental awareness across the organizational culture by providing environmental training to employees.

Waste Management and Recycling Targets by Project

In November 2022, Hyundai E&C signed a voluntary agreement with the Ministry of Environment for eco-friendly treatment and expanded recycling of construction waste, leading waste reduction and circular-economy initiatives. We also improved permitting process for construction waste, standardizing eight major waste categories and establishing a recycling-focused treatment system through contracts with specialized firms. All project sites develop their own waste-management plans, and, in line with the company's environmental management policies, Hyundai E&C set a recycling-rate target of 99.88% for 2024, pursuing continuous waste reduction and enhanced resource circulation.

▲ Waste Generated

Category	Unit	2022	2023	2024	2024(Target)	
Total Waste Generated	ton	1,312,651	1,289,671	1,272,643	_	
Landfilled	ton	4,000	158	350	1,527*	
Incinerated	ton	254	77	42		
Recycled	ton	1,308,397	1,289,436	1,272,250	_	
Recycling Rate	%	99.68	99.98	99.97	99.88	

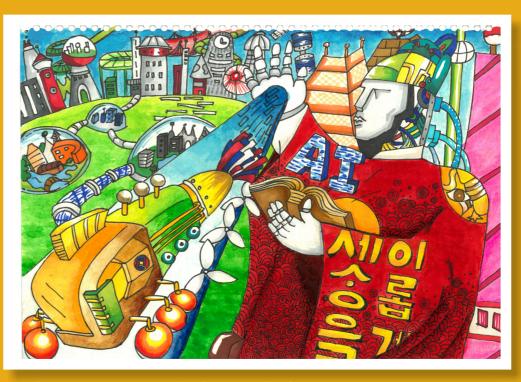
^{*} Waste discharge target (landfill + incineration)

¹⁾ Energy efficiency rating of Grade 1 or higher

²⁾ Sustainable products and services considered eligible in the EU Taxonomy, excluding Grade 1 energy-efficient buildings.

³⁾ Total sustainable products and services considered eligible in the EU Taxonomy.

VERVIEW MATERIAL TOPIC ENVIRONMENTAL SOCIAL GOVERNANCE APPENDIX



Winner of the Grand Prize in the Elementary Division of the Employee Children's Art Contes (Lee Seoyeon – Hands that Change the World, City that Opens the Future)

SOCIAL

- 73 Own Workforce
- 4 Value Chain
- 39 Affected Communities

Own Workforce

SOCIAL

Hyundai E&C values open communication and collaboration, identifying talent based on capability and potential and offering them opportunities for growth. At our workplaces, we have implemented a human rights charter to promote a culture of respect for human rights and strengthen regular risk assessments and preventive measures, demonstrating our commitment to creating a safe and respectful environment for all workers.

Impacts, Risks, and Opportunities (IRO) Related to Own Workforce

Impact









Description

 Potential occurrence of human rights violations among stakeholders across the value chain (e.g., labor rights, right to safety, property rights).

Hyundai E&C's Response

Management of human rights risks (due diligence and mitigation measures)

Impact









• Enhancing employee satisfaction and creating quality jobs by fostering a healthy organizational culture

Hyundai E&C's Response

▶ Fair evaluation, compensation systems, diversity and inclusion (D&I) initiatives

Risk & Opportunity



► Decline in productivity due to deteriorating labormanagement relations, reduced operating profit due to increased costs of regulatory compliance, and potential financial penalties

Hyundai E&C's Response

 Management of human rights risks (charter and complaints system)



 Higher operating profit from improved engagement and productivity through employee development

Hyundai E&C's Response

 Job rotation and training programs tailored to job roles and ranks

Strategy

Interaction with Strategy and Business Model

APPENDIX

Hyundai E&C is committed to fostering a workplace where all employees can find meaning in their work, experience achievement and personal growth, striving to become a company that everyone aspires to work for. We recognize that enhancing employees' capabilities directly contributes to our overall competitiveness, and therefore make consistent investments in talent development while pursuing human rights management as a core business strategy, Hyundai E&C's efforts to develop employee competencies and ensure a fair working environment are closely aligned with its business model that pursues the advancement of technologies and expansion of global business. We have made securing and developing talent to lead the future of the construction industry a key priority, operating customized training by role and rank, programs to strengthen digital and technical competencies, and global talent development initiatives. These efforts enable us to respond swiftly to changing market conditions and technology trends, drive innovation, design differentiated business models, create new business opportunities, and secure global competitiveness at project sites. Hyundai E&C also extends its commitment to human rights protection, non-discrimination, diversity, and safe labor conditions to all employees and workers across the supply chain. We prioritize compliance with international human rights standards (such as UNGC and ILO) and relevant domestic and international laws, while managing risks proactively through human rights due diligence, education to prevent human rights violations, and the implementation of a human rights management declaration. This strategic approach positively impacts overall management by continuously attracting top talent, enhancing employee engagement and creativity, fostering a culture of innovation, and maintaining stable labor relations. Furthermore, by fulfilling its social responsibilities in line with the expectations of global clients and investors, Hyundai E&C contributes directly to building a sustainable business model and enhancing corporate brand value.



Impact, Risk and Opportunity Management

Employee Policies

Human Rights Charter

Hyundai E&C has adopted a human rights charter that sets forth the company's implementation principles for human rights management. Its basic principles include the prohibition of discrimination and harassment, the guarantee of labor rights, the ban on forced and child labor, and the commitment to paying fair living wages, alongside provisions on responsible supply chain management and the right to a healthy environment. Drafted with reference to domestic and international human-rights standards, laws, and initiatives, the charter applies not only to Hyundai E&C employees but also to staff at the company's domestic and overseas subsidiaries, branches, affiliates, and granddaughter companies, as well as partners, with compliance recommended for all business stakeholders. Hyundai E&C plans to provide systematic support to ensure that every worker across its value chain receives a fair living wage by 2030.

Diversity and Inclusion (D&I) Principles

Hyundai E&C is fostering a culture that embraces diverse backgrounds and identities. We do not tolerate discrimination based on gender, race, ethnicity, nationality, cultural background, disability, age, gender identity, political or religious beliefs, or social status, Hyundai E&C continuously seeks to expand working conditions that support the values of diversity and inclusion. We have established a Diversity & Inclusion (D&I) Policy, which applies to all employees and customers at Hyundai E&C's headquarters, domestic and international sites, subsidiaries, granddaughter companies, and joint ventures. To embed D&I principles throughout the organization, Hyundai E&C has built an internal management system, conducts regular monitoring of D&I performance, and transparently discloses the results to stakeholders.

Labor Practices Policy

Hyundai E&C implements labor policies to ensure all employees at its domestic and overseas worksites are guaranteed their fundamental rights. We comply with the legally mandated working hours in each country where we operate and set a maximum weekly working limit to prevent excessive overtime. When overtime work is necessary, appropriate compensation is provided in accordance with the terms specified in the employment contract. Annual leave is guaranteed in line with the labor laws of the respective countries and Hyundai E&C's internal policies. In accordance with the Labor Standards Act, Hyundai E&C provides prior notice within the legally required period if there are significant business reasons that may affect employees' contracts, such as mass terminations, aiming to minimize any potential negative impact. Furthermore, we require our suppliers and partners to uphold fundamental labor rights, as outlined in our code of conduct for suppliers.

Own Workforce

Impact, Risk and Opportunity Management

Grievance Handling Process

Hyundai E&C strictly adheres to the grievance procedures outlined in its Human Rights Charter to address employee human rights concerns. Upon receiving a grievance, we conduct a thorough investigation based on court precedents, industry norms, and relevant government regulations. We also ensure the protection of whistleblowers by quaranteeing anonymity and prohibiting unfair treatment as stipulated in the charter.



Human Rights Grievance Channel

Hyundai E&C's H-Dudrim 🕏

Hyundai E&C operates an integrated reporting system, H-Dudrim, to receive grievances related to human rights violations and prevent risks, In 2024, a total of 189 employee grievances were submitted (covering HR matters such as working hours and performance evaluation, requests to improve the office environment at the headquarters facilities and IT systems, and site-related concerns such as accommodation conditions. Of these, 141 cases have been resolved, while 48 are currently under improvement.

▲ H-Dudrim Process (External)



Sexual-Harassment Hotline and Grievance Committee

Hyundai E&C operates a hotline and a grievance committee to respond swiftly and effectively to sensitive workplace issues such as sexual harassment. The system ensures strong protection of the complainant's identity under the anonymity principle, and allows the reporter to choose the gender of the officer handling the case, ensuring a convenient and safe reporting process,

Actions to Mitigate Significant Impacts on Own Workforce

Hyundai E&C has established a human-rights risk-management system based on its Human Rights Charter, We conduct regular human-rights risk assessments and improvement activities, and disclose the results to engage with stakeholders. This risk-management process is applied across the entire value chain, strengthening human-rights monitoring at domestic and overseas sites. Hyundai E&C identifies key human-rights issues and vulnerable groups and manages them proactively to safeguard and advance human rights. Going forward, we will extend human-rights risk reviews to all business sites worldwide.

▲ Human Rights Risks Management Process

Defining Human Rights Issues	Identifying Key Human Rights Issues	Establishing Mitigation Measures and Remedies	Implementing Mitigation Measures and Remedies	→ Monitoring (-	Public Disclosure
 Identify key human rights issues in business operations and in the supply chain Define key human rights issues and potential human rights issues 	 Carry out human rights impact assessment Identify key human rights risks 	Develop mitigation measures and remedy plans Set targets for improvement	Report results Review evaluation and improvements	Conduct regular and occasional inspection on human rights risks Manage high-risk sites	Implement mitigation measures and remedies Share details of mitigation measures and remedies through stakeholder channels

Preemptive Identification of Human Rights Risks

To identify human rights risks proactively, Hyundai E&C designated eight key stakeholder groups, including employees, women, and children, and identified nine potential human rights risk factors through a diagnostic process. In addition, we conduct human rights risk assessments in our own operations, suppliers and partners when launching new projects or forming new business relationships to address changing human rights issues on an annual basis.

▲ Potential Human Rights Issues by Parties Subject to Human Rights Risk Assessment (construction industry)

H: High risk L: Low risk P: Potential risk

	Parties subject to human rights risk assessment									
Human Rights Issues	Employees	Third-party employees	Suppliers (including mi- grant workers)	Women	Children	Indigenous peoples	Local Communities	Customers		
Human trafficking	L	L	Р	Р	Р	L	L	L		
Forced labor	L	L	Р	Р	Р	Р	L	L		
Child labor	L	L	L	L	L	Р	L	L		
Freedom of association	L	L	Р	L	L	L	L	L		
Collective bargaining rights	L	L	Р	L	L	L	L	L		
Non- discrimination	L	L	Р	Р	L	L	L	L		
Equal remuneration for men and women	L	L	L	Р	L	L	L	L		
Occupational safety and health	L	L	L	L	L	L	L	L		
Information Security	L	L	L	L	L	L	L	L		

Own Workforce

Impact, Risk and Opportunity Management

Human Rights Risk Assessment Method

Manufactur	ing/Supply		Business Operation	ı	Sa	les/Manager	ment	
Extraction Logging	,	cturing/ oply	Pre-Project	During Proj	ect	Sales		r–Sales gement
Raw Materia	als Manufa	acturing	Development	Constructio	n	Sales	Custom	er Service
B E		3	A B G E	AB OD	(BDB		D
Scope	Vulnerable Group	De	efinition of Issue	Risk Level	Evaluation System	Inspection Scope	Identified Issues	Actions Taken
A Business site	Employees, third-party employees, women, children	in the wor compensa association occupation protection harassmer	Employees' basic human rights in the work environment (equal compensation, freedom of association, collective bargaining, occupational health and safety, and protection from discrimination and harassment) that may arise during project execution		Human rights risk assessmen at business sites		0%	100%
Supply chain	Suppliers' employees (including migrant workers) / third-party contract workers	human rights (nor labor right for employ	Issues of infringement of basic human rights (non–discrimination, etc.), labor rights and the right to safety for employees of suppliers or newly formed business partners		Human rights risk assessmen in the suppl chain		20.9%	100%
Business relations	Indigenous peoples,local communities	peoples' r property, constructi	Direct infringement of indigenous peoples' rights to land and property, etc. due to the pursuit of construction activities within the scope of the construction contract		Business human rights risk assessmen	100%	9.6%	100%
Sales and management	Customers, local communities	Breaches of personal data protection and information security		Subject to due diligence	Checking of information security vulnerability (mock hacking)	100%	8.5%	100%
Raw material supply	Indigenous people, children		hild labor, forced labor n trafficking in illegal	Preliminary caution	-	-	-	-

Human Rights Risk Assessment Results

(A) Human Rights Risk Assessment at Business Sites

Hyundai E&C regularly conducts proactive assessments and evaluations to identify potential human rights risk factors across its stakeholders, including not only its own business sites but also those along the broader value chain, as well as stakeholders involved in mergers, acquisitions, and joint ventures. In 2024, we conducted internal human rights monitoring at 166 domestic and international sites with 20 or more workers, excluding completed or suspended projects. These assessments were based on a human rights checklist and focused on the respect for fundamental human rights, protection of labor rights, safety assurance, and employee welfare. The assessment results showed that we achieved a 100% implementation rate of the checklist, and no critical human rights risks were identified at any of the domestic or overseas sites. Going forward, Hyundai E&C plans to enhance its diagnostic indicators and methodologies for human rights assessments at business sites to prevent the emergence of previously unidentified potential risks.

▲ 2024 Business Site Human Rights Risks Diagnosis

Category	Number of Sites	Ratio (%)
Risk assessment	166 (Domestic 124, Overseas 42)	100
Risk identification	0	0
Risk measure	-	100

^{* 2023} business site human rights risk assessment results: Among 159 sites assessed (118 domestic, 41 overseas), 47 sites were identified with risks (46 domestic, 1

▲ 2024 Business Site Human Rights Risks Evaluations

Category		Implementation Rate (%)	Year- on-Year	Category		Implementation Rate (%)	Year- on-Year
	Prohibition of discrimination and harassment	100	-	Protection of labor rights	Freedom of association/ collective bargaining	100	_
Respect for	Protection of rights	100	-		Safety compliance	100	-
basic human rights	Grievance handling	100	+13.4	Guaranteeing workplace safety	Safety and Health	100	_
numanngnis	Protection of local		Newly added		Committee		
	communities and	100			Enhanced healthcare	100	-
	environmental rights				Accommodation / Rest	400	
	Prohibition of forced/child	100	_	Welfare	facilities	100	-
D: 6	labor			benefits	Cafeteria	100	+1.7
Protection of labor rights	Payment of salary	100	-		Recreational facilities	100	+2,4
labor riginis	Compliance with legally stipulated working hours	100	_		recreational lucilities	100	

Follow-up Measures on Human-Rights Risk Assessments

Drawing on the results of human-rights risk assessments in the past two years, Hyundai E&C implemented mitigation measures at 29.6% of its active sites, 47 of the 159 locations evaluated last year. We strengthened our grievance procedures by installing suggestion boxes and introducing grievance-handling interviews to address inadequate grievance mechanisms at several overseas sites. To improve working conditions, we also gathered worker feedback on dining and recreational facilities and completed upgrades that gave site workers access to nearby shops and fitness amenities. Furthermore, Hyundai E&C shares its human-rights monitoring checklist on the corporate intranet to maintain a high level of human-rights compliance, encouraging each site to carry out its own risk management.

2025 HYUNDAI E&C Sustainability Report

Own Workforce

Impact, Risk and Opportunity Management

Actions to Mitigate Significant Impacts on Own Workforce

Human Rights Risk Assessment Results

® Human Rights Risk Assessment in the Supply Chain

Hyundai E&C identifies and incorporates economic, environmental, and social risks systematically across its supply chain into business operations. Using human rights risk assessment indicators that include labor and safety criteria, we evaluate our supply chain regularly to monitor the level of risk management. For suppliers requiring improvement, we request corrective action plans and actively follow up to ensure implementation.

▲ 2024 Supply Chain Human Rights Risks Diagnosis

Category	Number of Suppliers	Ratio (%)	Description
Risk assessment	215	100	100% procurement from tier 1 suppliers
Identification of risk	45	20.9	Suppliers with identified negative impacts
Risk mitigation measures	45	100	Corrective actions are implemented and improvements encouraged; failure to improve may result in disqualification or deregistration.

© Human Rights Risk Assessment in Business Relations

In the process of expanding business, such as entering new markets or investing in joint ventures, unexpected risks may arise due to economic, social, or cultural differences. These risks can have negative effects on business operations, potentially causing project delays, conflicts with local communities, or delays and cancellations in obtaining business rights. To address such risks proactively, Hyundai E&C has established a "core business risk monitoring" system for its overseas operations. As of now, we have identified core risks and developed response plans from the initial feasibility review and bidding review stages of 31 projects, thereby managing them in a systematic manner. Hyundai E&C will continue to strengthen its foundation for sustainable business operations in global markets by thoroughly managing risks from the early stages of each project.

▲ 2024 Business Relations Risk Assessment Results

Category	Number of Projects	Ratio (%)	Description
Risk assessment	31	100	100% of projects
Identification of risk	3	9.6	Projects in countries with high human rights risks
Risk mitigation measures	3	100	Seek measures to mitigate and avoid risks

(D) Human Rights Risk Assessment in Sales and Management

As part of its assessments of human rights risks, Hyundai E&C conducts inspections for vulnerabilities in information protection. In particular, we examine the entire lifecycle of personal data – collection, storage, processing, transmission, and disposal – to ensure that there is no risk of unauthorized leakage or misuse. In addition, Hyundai E&C continuously monitors and implements improvement measures to ensure the safe protection of clients and customers' personal information and to minimize the risk of human rights violations by complying with relevant regulations.

▲ 2024 Information Security Vulnerability Assessment Results

Category	Number of Projects	Ratio (%)	Description
Risk assessment	1,568	100	Items to be inspected in simulation training based on the Group's security guide
Identification of risks	134	8.5	Vulnerabilities in encryption algorithms, exposure of sensitive information, etc.
Risk mitigation measures	134	100	Application of enhanced encryption algorithms, correction of system error pages, etc.

Human Rights Protection Activities

Hyundai E&C implements programs to reinforce its commitment to the protection of labor and other human rights. Under our fair compensation policy, we ensure equal pay for men and women in all countries where we operate, supporting the basic livelihoods of employees and their families. To ensure gender equity in pay, we regularly monitor for gender-based pay gaps. Regarding working hours, we monitor working time, including overtime, systematically through our attendance management system. When overtime work occurs, compensation is provided according to contract terms. In terms of working conditions, Hyundai E&C communicates regularly and negotiates with employee representatives elected under collective agreements. We also monitor the use of paid annual leave and promote systems to ensure employees can use their full entitlement. In addition to national social security programs, Hyundai E&C offers support with medical expenses, family care leave, parental leave, workplace childcare centers, and maternity and parental leave that exceed legal requirements. Moreover, in response to changes such as advancements in industrial technologies and climate transition, we provide employees with necessary training to mitigate potential negative impacts and to help create new opportunities, Through these efforts, Hyundai E&C ensures that employees can maintain competitiveness and secure stable income in a changing economic environment.

Human Rights Training

To embed a culture of respect for human rights throughout the organization, Hyundai E&C provides human rights training to all employees. Mandatory annual legal training covers topics such as the prevention of workplace sexual harassment, antibullying measures, and disability awareness. Through such human rights and diversity education programs, we work to raise employees' awareness and sensitivity to human rights issues and violations.

▲ 2024 Human Rights Training

	Category	Training Description	Trainees
	Training on prevention of workplace harassment	Notice on processes to spread a culture of mutual respect and to take follow–up measures when harassment incidents occur	
Statutory Training	Training on prevention of sexual harassment	Gender equality and respect, prevention measures and training on response measures	All employees
	Training for improved awareness of people with disabilities	How to address misconceptions and prejudices regarding people with disabilities, and how to interact with them, etc.	

Risks Associated with Child and Forced Labor

Inspections at Hyundai E&C's domestic and overseas sites confirmed no locations with a high risk of child or forced labor. We will continue to uphold the human rights charter's prohibition of forced and child labor through regular site audits and human–rights awareness programs for employees, ensuring rigorous compliance across all operations.



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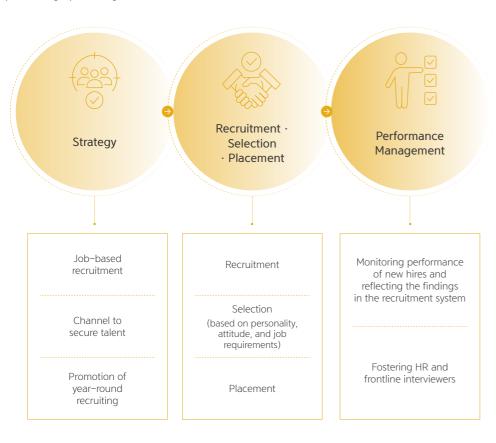
Impact, Risk and Opportunity Management

Creating Valuable Opportunities for Own Workforce

Talent Recruitment

Hiring the Right People

Given the construction industry's heavy reliance on human resources, securing outstanding talent is a key factor in strengthening corporate competitiveness. Hyundai E&C aims to recruit the most suitable candidates ("Right People") who demonstrate both job competency and potential to contribute to the organization, and has accordingly defined clear criteria for job competencies. We have established a virtuous cycle of systematic human resource management, ranging from recruitment planning to job-specific hiring, selection, placement, and performance management. Through the structure, we strive to diversify our recruitment processes, expand sourcing channels, and promote rolling recruitment. In addition, Hyundai E&C provides systems to support new hires' early adaptation and refines its hiring strategies continuously to ensure a steady pipeline of high-performing talent,



Talent Development

Fostering Innovative Challengers

Hyundai E&C is committed to cultivating "Innovative Challengers" who will pioneer the future as global construction leaders, equipped with a future-oriented mindset, creative insight, a strong sense of ownership, and the drive to pursue challenge and push boundaries. We support the development of individual capabilities through tailored job training and job rotation programs. To strengthen global competitiveness, we offer language courses, external professional training, overseas training programs at leading institutions, and mentoring initiatives. In addition, Hyundai E&C continues to expand diverse learning opportunities, including online job courses, certification programs, and expert lectures on global environmental changes, encouraging employees to freely develop their competencies, Employee performance and development needs are managed systematically, and promotions and rewards are determined based on performance and capability rather than seniority. High performers are given opportunities for early promotion, differentiated compensation, and top-tier rewards,

Smart Learning System

Hyundai E&C operates a smart learning platform, Growing Together, that enables employees to learn anytime, anywhere. The system recommends customized content based on job category, role, and rank, while also allowing learners to freely choose programs that suit their individual goals, thereby facilitating self-directed learning. After each course, participants provide ratings and feedback, which are used to systematically manage the effectiveness of the training programs. In addition, various competency-building activities, such as video-based learning, internal and external training programs, acquisition of certifications, and improvement of language scores, are guantified as "Growing Points," which are reflected in leadership performance evaluations, encouraging leaders to take an active role in supporting employee development.

CASE

Global Talent Development

Hyundai E&C has achieved a cumulative overseas construction order volume of USD 1 trillion, expanding its global business and pioneering new markets. Since securing our first overseas project in 1965, we have executed 889 projects across 62 countries as of March 2025, extending our overseas portfolio beyond the Middle East and Southeast Asia to Latin America, Europe, Africa, and the Americas. This global expansion has been driven by the development of global talent and a corporate culture that embraces diverse backgrounds and cultures. To support the expansion of SMR and nuclear power projects in Europe and the Americas, Hyundai E&C is recruiting new global talent for the New Energy Strategy Team and Nuclear Execution Team within the New Energy Division. At overseas sites, including Singapore, the company scouts high-performing individuals and hires new employees through academiaindustry cooperation initiatives such as internships and scholarship programs.



2025 HYUNDAI E&C Sustainability Report

Own Workforce

Impact, Risk and Opportunity Management

Diversified Employee Training Programs

Hyundai E&C is diversifying its employee training programs, including leadership development, cultural training, career transition support for retirees and dismissed employees, and digital transformation training, to strengthen workforce capabilities. All programs are open to all employees (including contract and part-time staff).

With the goal of nurturing innovative talent capable of assuming leadership positions in a rapidly changing global environment, we have established a systematic leadership pipeline. We offer differentiated training courses designed to ensure balanced development of leadership, experience, and job competencies at each stage of professional growth. Hyundai E&C supports customized competency development through mandatory job training programs designed by job category, position, and rank. In particular, for construction engineers, we enhance expertise in design, construction, and quality management through collaboration with the Institute of Construction Technology Education.

In 2024, Hyundai E&C provided training in negotiation and organizational management for site managers, language tutoring for 36 executives, and pre-leadership training for new team leaders. The executive tutoring program resulted in an average improvement of 6 points compared to pre-training assessments, demonstrating the program's effectiveness. In total, the company offered 456 training courses in 2024 as part of its continued efforts to enhance employee training.

▲ 2024 Employee Development Programs

Category	Training Category	Learning Method	Total
	Legally required	Lectures, e-Learning	3
	Training for new hires	Lectures and sessions, workshops	12
Common core values	New growth/4th industrial revolution/ digital transition	Lectures and sessions	23
	Ethics/legal compliance	Lectures and sessions,, e-Learning	3
	General education and corporate culture	Lectures and sessions, workshops	34
	Global culture	Seminars, team/networking	5
Global	English	Self-directed learning, e-Learning	144
	Second foreign language	Self-directed learning, e-Learning	7
	Management program	Workshops and seminars, team/networking	3
Leadership	Leadership by hierarchy	Coaching and mentoring, team/networking	12
	Executive leadership	Coaching and mentoring, team/networking	4
	Construction qualifications	Hands-on practice and field experience	18
	Construction types/technical training	Hands-on practice and field experience	15
Job	Basic job qualifications	Coaching and mentoring, workshops	52
305	Job training	Hands-on practice and field experience, coaching and mentoring	109
	Quality/safety	Lectures and sessions, field experience	12
Total			456

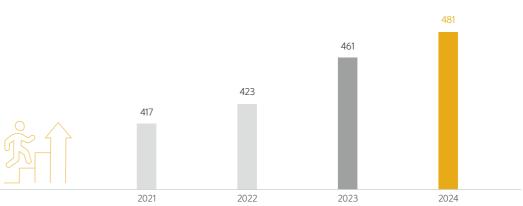
On-site R&D Job Training

To stay ahead of global technological shifts, Hyundai E&C is expanding international joint research and strengthening strategic partnerships with leading foreign institutions and clients. We dispatched employees to leading overseas firms with core technologies, enhancing R&D expertise and hands-on technical capabilities. In order to strengthen our capabilities in small-modular reactors (SMRs), Hyundai E&C has signed an agreement with Holtec International (USA) and dispatched five specialists to SMR and decommissioning sites. They are involved in every stage of the decommissioning cycle - from reactor segmentation and management of spent fuel to dismantling process control - broadening our global nuclear valuechain collaboration, R&D staff are also provided with updates on the latest trends in construction technology and diverse job development opportunities, yielding quality improvements, cost savings, and shorter project timelines. Hyundai E&C participated in various on-site technical projects, such as external façade wind-load optimization, KPI analysis for tunnelboring machine (TBM), and BIM-based technology development, further enhancing quality and process efficiency. As a result of these efforts. Hyundai E&C's patent registrations increased from 31 in 2023 to 44 in 2024 - a 41.9% increase expanding opportunities for commercializing patented technologies.

Technical Education Institute

Hyundai E&C operates a Technical Education Institute to cultivate global construction technology talent with practical, siteoriented skills needed to respond to the rapidly changing construction market. The institute provides optimized, practicefocused curricula that go beyond theoretical instruction, systematically developing the competencies required in realworld construction environments, Courses include construction management based on Building Information Modeling (BIM), construction process management, electrical installation practices, occupational safety and health management, and smart city development. A total of 10 programs are offered with support from the Ministry of Employment and Labor and the Ministry of Land, Infrastructure and Transport, delivering specialized education in advanced construction technologies, Graduates who complete more than 80% of the coursework are supported in finding employment with Hyundai E&C, Hyundai Engineering, suppliers, or other firms within the construction industry.





Own Workforce

Impact, Risk and Opportunity Management

Performance Evaluation and Compensation

Performance-Based Compensation System

Hyundai E&C's evaluation and compensation system fairly reflects performance and competencies. In addition to financial metrics such as orders and revenue, performance is assessed comprehensively by incorporating ESG-related indicators. including environment, safety, quality, CSR, and information security, into each division's KPIs. For performance management through personnel evaluations, we conduct biannual reviews (in the first and second half of the year) for managers, ensuring an accurate and fair compensation system. Compensation groups are further segmented based on performance outcomes. In addition, we consider living wages when setting base salaries to support employees in maintaining financial stability. thereby aiming to improve quality of life and labor productivity.

Enhancing Fairness in Evaluation and Promotion

Hyundai E&C has established a performance-management framework based on Management by Objectives (MBO). Following a step-by-step process - goal setting, midterm check-ins, final evaluation and rating, and calibration sessions - we deliver more refined assessments and fair rewards. We provide performance-management training for key managers and conduct both team-based and individual performance evaluations to secure objectivity. During the evaluation process, interviews and coaching are strongly encouraged to reinforce feedback functions, and information on each stage, such as review of results and promotion deliberation, is shared with employees to deepen their understanding of the system,

To achieve systematic performance management from an organizational perspective, managers set annual performance goals for their units in consultation with team members. We practice ongoing agile conversation, ensuring regular dialogue and ongoing feedback, and goals can be adjusted in the second half of the year if necessary. In 2024, a total of 6,478 individuals, or 100% of all permanent and contract employees excluding new hires, were evaluated. Responding to calls for stronger multi-dimensional feedback, Hyundai E&C conducted leadership diagnostics based on peer reviews, incorporating 360-degree feedback results into evaluations, and introduced contribution-based peer-voting so that employees with low ratings but high peer-contribution scores could have their evaluations reconsidered. In 2024, all managers supervising four or more employees completed a leadership diagnostic, and all non-managers, excluding those hired after May, participated in peer reviews, reinforcing the credibility of feedback. For promotions, we operate a multi-rater recommendation track in addition to self-nominations; the top 10% of those recommended through peer review are pre-approved for promotion, widening early-advancement opportunities for high performers. Beginning from 2024. Hyundai E&C introduced the "Good Leader 360° Review," a qualitative assessment of leaders' performance in their role, to strengthen unit-level leadership capabilities and enhance corporate competitiveness. Members, collaborators, and direct supervisors evaluate leaders across comprehensive areas, including expertise, leading by example, and communication, analyzing each leader's strengths and areas requiring improvement, Hyundai E&C will further reinforce leader-centered organizational capability by reflecting the review results directly in HR policies such as rewards, and by providing connected leadership training, unlike the existing leadership diagnostic.

Long-Term Incentives

Each Hyundai E&C construction site is evaluated based on its performance over a three- to five-year period, Employees who worked at completed sites rated as excellent receive long-term cash incentives regularly. This evaluation covers all employees, including executives, and measures a wide range of criteria to evaluate achievement of goals: compliance with site regulations, process management, quality control, safety management (including accident rates and safety inspections), indicators of profit improvement, and environmental targets such as achievement of energy-saving targets and the application of green environmental systems. Based on the overall evaluation results, sites are graded as S (90 points or higher), A (80 or higher), or B (60 or higher), Incentives are granted to employees at sites receiving a B grade or higher, with additional consideration given to relevant factors including profit-saving performance. In 2024, 32 employees received these incentives.

Occasional Reward Program

In 2024, Hyundai E&C granted a total of 69 awards through its outstanding employee reward program, recognizing employees who excelled in cost reduction, technological innovation, and corporate culture. This included 31 awards in the innovation category to drive change and innovation, 7 for contract-winning performance to strengthen incentives in sales roles, and 31 for cost improvement to enhance profitability and operating margins, We also awarded 10 employees based on peer nominations and contribution to the corporate culture through the bi-monthly "Hero" program, expanding the scope of recognition.

Retiree Support

Support for Post-retirement Planning

Hyundai E&C operates a range of customized programs to help employees prepare for life after retirement. We offer outplacement consulting to prospective retirees aged 50 or older with at least one year of service. The consulting includes tailored services - such as self-assessments, job listings, and startup support - segmented according to individual career goals, including employment, entrepreneurship, or life planning. To enhance convenience, Hyundai E&C runs a dedicated outplacement support center equipped with offices, computer labs, and consultation rooms for job and business preparation. In 2024, 26 out of 31 eligible employees participated in the program, receiving systematic and comprehensive training and consulting. As a result, 11 participants transitioned successfully into new careers, Hyundai E&C will continue to offer practical support to help employees prepare for a stable second chapter in life.

Retirement Pension Plan

Hyundai E&C operates retirement pension plans for all employees to support their preparation for a stable post-retirement life. We also provide training to enrolled employees to enhance their understanding of pension products, helping them build a secure financial foundation after retirement.

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Own Workforce

Impact, Risk and Opportunity Management

Creating Valuable Opportunities for Own Workforce

Work-Life Balance

Flexible Work Environment

Hyundai E&C has introduced a smart work system that allows employees to choose and adjust their working hours and locations, creating a more autonomous and flexible work environment. In terms of working hours, we operate various flexible work schemes such as the flexible working hours system and staggered commuting hours. Regarding work locations, we operate a hybrid work model through two hub offices in the Seoul metropolitan area – at the Technical Education Institute (Daerim) and the R&D Center (Mabuk) – as well as a work–from–home system. In 2024, we also opened a new in–house work lounge, enabling employees to choose between focused workstations or motion desks based on their workload and physical condition.

Childcare Support Programs

Hyundai E&C runs childcare programs for each phase of the lifecycle helping employees balance parenting and work. In 2024, we supported childbirth by covering infertility treatment costs totaling KRW 360 million for 33 employees, provided a lactation room in the on–site infirmary to provide support in the initial childcare period, and supported working parents through the outsourced Hyundai Dasom Nursery.

In addition, to ease commuting for pregnant staff, we have offered free regular parking permits to expectant mothers at the headquarters since 2023, fostering a childbirth–friendly corporate culture. Other benefits include celebration grants for special occasions such as childbirth, Children's Day, and school enrollment, as well as scholarships for employees' children. Through these efforts, Hyundai E&C is building a warm workplace that grows together with employees' families.

Healthcare Support Programs

Hyundai E&C provides annual health checkups for employees and their spouses, and allows the benefit to be transferred to a spouse's family member, thereby expanding its coverage. In 2024, we provided health screening services worth approximately KRW 2.9 billion to a total of 8,558 individuals. We also improved the group accident insurance program for employees, their spouses, and children by increasing coverage amounts and allowing individuals to choose from various insurance plans (actual expense-based, fixed benefit-based, dental, and driver insurance). As a result, 17,339 individuals received benefits worth KRW 2.2 billion. In addition, Hyundai E&C offers comprehensive overseas safety management services not only to employees at headquarters but also to overseas business travelers and workers from partner companies, aiming to minimize health and safety risks. In 2024, we conducted one-day posture correction and wellness classes twice to promote employee health. Since 2015, Hyundai E&C has operated an employee counseling center both online and offline to help address employee concerns and enhance emotional wellbeing. The system supports both in-person and virtual counseling sessions and offers professional counseling on issues related to family, parenting, personal emotional matters, and work.

Opening of the Employee Lounge "Refresh Zone"

Hyundai E&C continues to enhance its employee welfare infrastructure to foster a healthy work environment. In 2024, we renovated our in-house lounge and opened the "Refresh Zone," a multipurpose space designed for employee relaxation and wellness. The Refresh Zone features five types of fitness equipment for light stretching, an electronic dart machine, and a rest lounge, helping employees relieve stress and recharge.

As part of our smart office initiative, we also introduced the "Dudrim Zone," a dedicated rest area to support stress relief. Hyundai E&C remains committed to building a creative and horizontal organizational culture.





Refresh Zone

Employee Leisure and Recreational Support

Hyundai E&C supports employees in balancing work and life to maintain a healthy working environment. It operates 19 employee resorts nationwide, available for stays of up to five days using welfare points. Employees with less than three years of service, who are not yet eligible for welfare point benefits, are granted a separate free three–day stay each year. In 2024, we expanded options by adding highly preferred resort facilities, including the Asan Training Center. Hyundai E&C also operates a camper–van rental program, provides sportswear to all employees to encourage outdoor activities, and promotes daily wellness through an on–site sports center and designated "health stairs."







Work Lounge One-Day Class Coffee Class

Own Workforce

Impact, Risk and Opportunity Management

Improving Organizational Culture

Labor-Management Communication Channel

Hyundai E&C strictly guarantees employees' freedom to join or withdraw from labor unions in accordance with Article 5 of the Trade Union and Labor Relations Adjustment Act and Article 3 of its collective agreement. We have also established internal policies prohibiting interference with union membership and coercion to withdraw, thereby fostering trust and harmony between labor and management and maintaining cooperative relations through seamless communication. As of December 2024, 100% of the total employees are covered by the collective bargaining agreement. The labor and management engage in open discussions and thorough negotiations on wages and welfare, leading to the signing of collective agreements. Various policies were improved in 2024 through this consultation process to support employees' work-life balance and health. Notable examples include enhancements to the staggered commuting hours, coverage of infertility treatment costs, and the introduction of health checkup leave. In addition, Hyundai E&C operates a Working Environment Improvement Committee, working continuously on enhancing the workplace and employee welfare. This includes improving the functionality of the company's main lounge to create a more pleasant working environment. These efforts contribute to improving employees' work efficiency and ultimately help build a foundation for shared growth between Hyundai E&C and its employees.

Respect for National and Cultural Diversity

To strengthen its global competitiveness, Hyundai E&C is recruiting employees of various nationalities and implementing systematic management programs. We offer support programs to help foreign employees adapt to the company, and hold direct listening sessions to gather their feedback on systems needing improvement. To foster a work environment that respects cultural diversity, Hyundai E&C provides dedicated prayer rooms and foot wash stations for foreign employees at both its headquarters and project sites. At overseas sites where employees of diverse nationalities work together, we promote cross-cultural understanding and communication through suggestion boxes, representative meetings, and tailored training programs. In teams where more than half of the members are foreign nationals, we encourage English-based communication and offer Korean cultural experience programs, thereby maintaining respect for cultural diversity. Hyundai E&C will continue to expand an inclusive workplace where employees from various cultural backgrounds are respected and can fully demonstrate their capabilities.

Breaking Down Generational Barriers

At Hyundai E&C, where diverse generations work together, we promote intergenerational communication and collaboration. One such effort is a meeting where new employees can engage directly with the CEO during their early days at the company. At the meeting, participants share experiences and expectations through open Q&A, laying the groundwork for harmonious cooperation among generations. In addition, we continue to operate mentoring programs for new employees, along with workshops and training programs that facilitate communication among different groups and strengthen teamwork. Hyundai E&C will continue to foster mutual understanding and collaboration among generations through a culture of open communication.



(Hyundai E&C YouTube Channel)





Employee Mentoring Program

▲ Employee Welfare Program

Category		Description				
	Flexible working hours	Headquarters, branches/subsidiaries, and domestic sites operate flexible work hours every 2 weeks, and overseas sites operate flexible hours every 3 months				
Smart	Staggered hours	Headquarters operate 7 different start times – 7:00, 7:30, 8:00, 8:30, 9:00, 9:30, and 10:00 am – and project sites operate work shifts based on their situation				
Work	Part-time working	4-, 5-, 6-, and 7-hour work systems				
System	Working-from-home	Working from home for those who apply				
	Operating hub offices	Creating a hybrid working environment by operating hub offices in the metropolitan area				
	Shorter work hours on Family Day	Biweekly shorter workdays on Fridays at headquarters and domestic sites				
	Workplace daycare center	Providing quality childcare through in-house daycare centers				
	Celebration bonus	Celebration bonuses for childbirth, school entry, and Children's Day, etc.				
	Tuition support	Tuition support for employee's children entering high school and university				
	Shorter work hours during pregnancy	Expectant mothers are eligible for shorter work hours by as much as 2 hours during the first 12 weeks of pregnancy or after 36 weeks				
Childcare	Shorter work hours during early childhood	Minimum of 15 and up to 35 hours per week for 1 year				
Support System	Parking support for expectant mothers	Designated parking zones and parking fee support for expectant mothers				
	Matamataulaana	Up to 90 days of paid maternity leave for female workers (statutory 90 days)				
	Maternity leave	Up to 20 days of paternity leave for male workers (statutory 20 days)				
	Childcare leave	Up to 12 months (52weeks) of paid childcare leave for female workers (statutory 12 months)				
		Up to 12 months (52weeks) of paid childcare leave for male workers (statutory 12 months)				
	Infertility treatment leave	Up to 3 days of leave a year with paid–leave for the first two days, support for infertility treatment				
	REFRESH vacation	Paid leave for up to 3 months for self-development or recharging purposes				
	Family care vacation	Up to 10 days of annual vacation days				
Lance	Family care leave	Up to 90 days of annual leave				
Leaves and	Onboarding support leave	Paid leave for the first 2 years at the company, 1 day in the 1H and 1 day in the 2H of the year				
Vacations	Leave for employees working overseas	Leave for overseas assignments, regular leaves, and when returning home				
	Support for using resorts and camping cars	Support for employees using company resorts and camping cars				
	Health checkup	Regular health checkup for employees and their spouse				
	Group accident insurance	Expanded scope of group accident insurance to include employees, spouses, and children				
Health Support	Employee healing program	Support with professional counseling and coaching services for up to 6 times a year to improve employees' mental health				
System	Office infirmary and lactation room	Operating an office infirmary with a professional nurse and a lactation room				
	Overseas comprehensive safety management services	Safety management support such as medical, security, and counseling support for overseas business travelers/expatriates (including suppliers' employees)				

2025 HYUNDAI E&C Sustainability Report

Own Workforce

Impact, Risk and Opportunity Management

Activities to Promote Organizational Culture

Corporate Culture Slogan "Be the Pro" for Employee Growth and Engagement

To foster a corporate culture that supports employee engagement and growth, Hyundai E&C adopted the slogan "Be the Pro" in 2024, based on results from its organizational culture diagnosis, the PRISM survey, and interviews with executives. The slogan reflects our commitment to building a culture of high pride where true professionals deliver top-level results.

Expert Panel Pro300

Hyundai E&C operates the "Pro300" expert panel to enable employees participate directly in discussions and communicate on key issues. A total of 300 employees, selected through voluntary applications and peer recommendations, share their opinions anytime via an open channel and review company-wide strategic topics, holding discussions with management, In 2024, the panel facilitated public discussion of key issues in response to rapidly changing social conditions and collected and reflected employee feedback swiftly through surveys and open chats.

Hyundai E&C's CoC "Culture Design-Check 88"

Hyundai E&C announced the "Culture Design Checklist 88," or "Culdi-Check 88," as a Code of Conduct outlining behavioral commitments for employees. It defines how members and leaders work based on easy-to-understand everyday language and provides behavioral and decision-making guidelines to help build a better workplace. Rather than simply delivering a top-down code of conduct on corporate culture, these working principles were developed by analyzing the business environment and existing cultural strengths and weaknesses, and by gathering inputs from employee surveys and executive interviews.

Employee Discussion Board "Freeism"

Hyundai E&C promotes a healthy organizational culture through voluntary employee participation. To promote the Culture Design Checklist 88, the company's code of conduct announced in 2024, Hyundai E&C launched initiatives via the "Freeism" bulletin board aimed at developing professional leaders. In pursuit of creating "a better workplace," the platform hosted four open discussions on various topics related to the changes employees expect from their leaders. It gathered employee inputs systematically through this platform, resulting in 303 comments from a cumulative 3,500 participants. Based on the discussion outcomes, we have continued efforts to improve working practices and foster proper leadership as part of our organizational culture enhancement.

On-site Seminar "We go Together"

In 2024, Hyundai E&C held the "We go Together" on-site seminar to improve engagement and strengthen teamwork among on-site employees. The seminar included communication enhancement and team-building programs aimed at boosting work efficiency and organizational cohesion, In 2025, the program will be expanded from select sites to all project sites. enabling more employees to build stronger bonds and further improve work efficiency.

"Pro Sports Competition" to Celebrate the Foundation Anniversary

Hyundai E&C runs various communication programs to strengthen teamwork and bonding among employees. In celebration of our 77th anniversary in 2024, we hosted a sports competition featuring a variety of events and participation formats. enabling broad engagement from both domestic and overseas employees. For those unable to attend in person due to onsite duties, a mission video challenge was held, allowing teams to share moments of completing group missions successfully and further deepen bonds among site workers.

YouTube Channel "Gyedong75"

In 2023, Hyundai E&C launched its corporate culture YouTube channel, Gyedong75, and has since posted a total of 161 videos featuring employee voices, with a cumulative view count of approximately 420,000. Key content includes "9seok9seok Hyeongeon Log," which showcases the daily work and lives of employees at overseas sites; "Hyundai-sik," which highlights the professionalism of domestic site staff while introducing local food and culture; and "Cultural Bite," where global employees share their native cultures, emphasizing diversity and inclusion, Approximately 90% of the content features voluntary appearances by employees, establishing the channel as a participation-based communication platform, These contents serve as part of Hyundai E&C's efforts to foster a flexible and inclusive corporate culture and support a sustainable human resource management strategy that upholds respect for diversity. As such, the initiative plays a meaningful role in strengthening the Social (S) aspect of our ESG management.



Be the Pro Poster

Culture Design-Check 88



On-Site Seminar "We go Together



"Pro Sports Competition" to Celebrate the Foundation Anniversary

Own Workforce

Metrics and Targets

Metrics

Employee Engagement Survey Results

Since 2017, Hyundai E&C has conducted an annual organizational culture survey targeting all employees with a view to improving its workplace culture. The 2024 survey examined satisfaction at the personal, team, and company levels, assessing factors essential for effective job performance - such as job experience, motivation, alignment with organizational direction and goals, overall happiness, and stress management. Based on the survey results, we conducted in-depth one-on-one interviews with members of underperforming units to identify group-specific issues. We also reviewed HR and system-related challenges and took the necessary corrective actions. The 2024 survey was completed by 4.435 employees, achieving a high response rate of 86.7%. The average employee engagement score was 77.1, up 1.5 points from the previous year.

▲ 2024 Employee Engagement Survey Result^{1),2)}

(Unit: %, Score)

Category		2022(%)	2023(Score)	2024(Score)
Employee Engagement (%) Average		74.5	82.7	86.7
		67.7	75.4	77.1
Rank	Senior manager	74	78.4	79.4
	Junior manager	59.7	71,3	74.1
	Non-manager	61,6	73.6	74.4
Gender	Male	70.6	75.8	77.5
	Female	56.5	68.1	69.7
Age Group	55 or over	82.2	83,5	83.9
	45-54	78.3	79.8	81,3
	35-44	61.8	71.1	73.9
	34 or under	61,6	72.4	73.7

¹⁾ Positive response rate (%) until 2022, changed to average score from 2023,

Anti-Discrimination and Harassment Measures

Hyundai E&C is committed to fostering a healthy work environment free from discrimination and harassment. We systematically investigate related incidents reported through the H-Dudrim platform and Cyber Audit Office, managing risks through an appropriate process. An all-time monitoring system is in place to ensure all employees are treated equally without discrimination. In 2024, five cases were reported and addressed promptly and fairly by the HR Ethics Committee, resulting in appropriate disciplinary actions such as warnings, salary reductions, and suspensions. Hyundai E&C will continue its efforts to build a healthy organizational culture free from discrimination and harassment.

Development of Professionals and Key Talent

Hyundai E&C has established a systematic leadership pipeline to foster innovative talent globally. We cultivate future growth-driving leaders continuously by selecting core personnel and providing intensive development through leadership, experience, and competency training tailored to each career stage.

▲ 2024 Training Performance

Category	Total training hours	Total number of training participants	Average training hours per person	Training cost per person
Results	218,388 hours	7,149 people	30.55 hours	KRW 286,205

Targets

Mid- to Long-Term Goals for Talent Development and Human Rights

Hyundai E&C has established mid- to long-term goals and operates a human rights management roadmap to ensure the acquisition of diverse talent and promote respect for human rights. We aim to increase the proportion of female employees by 2030 as part of our commitment to diversity. In 2025, we plan to strengthen inspections of new sites in countries with high human rights risks and implement corrective actions to internalize human rights management. By 2026, Hyundai E&C aims to advance its human rights practices by expanding inspections to include domestic and overseas sites as well as more stakeholders such as suppliers, affiliates, and indigenous people, From 2027 onward, Hyundai E&C plans to further expand human rights inspections across the global supply chain, while also strengthening talent development, R&D competitiveness, and organizational culture.

Category	Unit	2023	2024	2030 Goal
Gender diversity – increasing the proportion of female employees	%	11,61	11,05	14,18

▲ Roadmap for Human Rights Due Diligence and Management System at Business Sites



Step 3. Advancing human rights management

 Expand the scope of inspections considering stakeholders such as suppliers at domestic and global sites. subsidiaries, indigenous people, local residents, and consumers, etc.

²⁾ Calculated based on full-time employees only

Value Chain

SOCIAL

Hyundai E&C is taking the lead in fostering a culture of mutual growth by laying the foundation for shared success with its suppliers. Through annual supply chain ESG assessments, the company evaluates the environmental, social, and governance status of its suppliers, while enhancing effectiveness through onsite due diligence. Tailored consulting services are also provided to each supplier, further strengthening Hyundai E&C's supply chain management process. In addition, to promote active communication, Hyundai E&C holds biannual meetings with suppliers and strives to build a sustainable partnership by operating a range of supplier management policies that support mutual growth.

Impacts, Risks, and Opportunities (IRO) Related to Value Chain

Impact











 Widespread negative social and environmental impacts may arise across the value chain due to insufficient ESG management within the supply chain

Hyundai E&C's Response

- Establishment of the Supplier Code of Conduct
- Regular implementation of supplier ESG assessments

Risk & Opportunity





- Reduced operational costs through stable supply chain
- Increased competitiveness and sales through shared growth with suppliers
- Sales decline from reduced investment and suspended deals due to human rights and environmental risks in the value chain caused by poor supply chain management

- Shared growth programs for suppliers (meetings, incentives, consulting, etc.)
- ESG results reflected in supplier management policies

Strategy

Interaction with Strategy and Business Model

APPENDIX

Hyundai E&C recognizes the importance of supply chain management both domestically and globally and systematically identifies issues that significantly impact its strategy and business model. Given its high dependency on suppliers, the company views their capability to promptly and effectively execute technologies as critical to business success. It also integrates supplier transparency, along with the safety, human rights, and labor conditions of supplier workers, into strategic and business planning, acknowledging their direct influence on corporate sustainability and long-term growth.

Regular identification of risks related to labor conditions, health and safety, and human rights violations among supplier workers is conducted. To strengthen fair and transparent partnerships, suppliers are evaluated and monitored based on ethical management, health and safety, labor rights, financial soundness, execution capability, and corporate value. Various programs—training, due diligence, consulting, safety awards, and pledges to ethics and the Supplier Code of Conduct—are implemented to enhance supplier capacity, reduce actual risks, and promote a safety culture within the supply chain.

Through this strategic approach, Hyundai E&C integrates the protection and safety of workers in the value chain into its business model, thereby enhancing productivity and trust across the supply chain while managing legal, reputational, and valuation risks. The company remains committed to sustainable growth and global standards by protecting workers in the value chain and advancing win-win corporation.



Award Ceremony for Zero-Accident Suppliers in All Processes, First Half of 2024

Impact, Risk and Opportunity Management

Value Chain Management Policy

Supplier Code of Conduct

Based on international standards such as the 10 Principles of the UN Global Compact, the Building Responsibly Initiative, and ILO conventions, Hyundai E&C established the Supplier Code of Conduct as part of its commitment to building a sustainable supply chain. The code applies to all Hyundai Engineering & Construction suppliers and requires exemplary operational practices, including compliance with laws and regulations in various areas such as labor and human rights (including forced labor and child labor), ethics, environment, health and safety, and management systems, as well as the identification of relevant risks and the establishment and implementation of mitigation measures.

Hyundai E&C provides stakeholders with information necessary to protect their rights and supports access to related content. Policies related to workers in the value chain—such as the Human Rights Charter, Code of Ethics, Supplier Code of Conduct, and supply chain ESG policies—are easily accessible on our website. These policies apply to all stakeholders, including employees, customers, local communities, and supply chain partners (upstream and downstream). Hyundai E&C protects stakeholder rights under laws and contracts and complies with labor laws, including the Labor Standards Act, to maintain and improve working conditions.

Every year, Hyundai E&C promotes ethical management and corporate responsibility by providing transparent ethics training and fostering a culture of fair and transparent business. In 2024, we offered transparent ethics training to a total of 788 partner companies, and are received pledges to comply with the Supplier Code of Conduct and Supplier Ethical Guidelines.

Value Chain Management System

The Corporate Governance and Communication Committee, a subcommittee of the Board of Directors, reviews major supplier and supply chain issues. Through the Sustainability Steering Committee under the Corporate Governance and Communication Committee, employees from procurement and related departments receive quarterly ESG training, with practical improvement tasks assigned to strengthen supply chain ESG capacity and execution.

Value Chain

Impact, Risk and Opportunity Management

Value Chain Monitoring Process

Supply Chain ESG Assessment

To proactively manage supply chain risks and build a sustainable supply chain. Hyundai E&C has operated its own ESG assessment system since 2020. The process consists of four stages -screening, on-desk assessment, on-site due diligence, and implementation of measures—to systematically evaluate supplier compliance with the Hyundai E&C's Supplier Code of Conduct. Out of 242 Tier-1 suppliers, 44 of suppliers are currently classified as "Tier 1 Significant Suppliers," accounting for approximately 32% of total Tier-1 procurement, Hyundai E&C closely monitors ESG risks of key suppliers to ensure effective mitigation.



Supplier Screening

Hyundai E&C operates a supplier screening process to identify key suppliers prior to on-desk assessments and on-site due diligence. During this stage, suppliers are evaluated on their ESG compliance and are provided with a period to implement improvements. Suppliers failing to meet minimum ESG requirements are excluded from contracts, while those with higher ESG competency are given priority. The screening covers various criteria including environmental, social, and governance factors, as well as business relevance, sector-specific characteristics, commodityrelated risks, and country-specific risks, It also reflects supplier safety and quality scores, technical capabilities, and construction trade characteristics. In 2024, Hyundai E&C selected 44 significant suppliers through this process.

► Environmental La law violations	Social bor/ fety law	Governance • Breach	Business relevance Deteriorated	Risks • Country-
law violations sai			▶ Deteriorated	▶ Country-
► Failure to meet environmental assessment standards Rig	plations n-site fety cidents uman ghts blations	of ethics and anti- corruption principles • Bribery and embezzlement	financial structure Poor supplier assessment scores	specific risk Sector specific risk Commodity specific risk

Supply Chain On-desk Assessment and On-site Due Diligence

Hyundai E&C conducts supply chain ESG assessments through on-desk reviews and on-site due diligence, evaluating ethics, environment, labor & human rights, and safety & health, Suppliers are categorized into seven levels based on the results, and high-risk suppliers with actual or potential negative impacts are required to implement corrective actions. The metrics for screening, on-desk assessments, and on-site due diligence are carried out and are in line with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct, Hyundai E&C will continue to expand and advance its supply chain ESG assessment.

▲ Supply Chain On-desk Assessment and On-site Due Diligence Process

Composition of ESG assessment indicators

- Develop ESG assessment indicators essential to Hvundai E&C
- Fill out online assessment report
- Prepare report

ESG on-desk assessment and training

- Conduct ESG training
- Understanding the concept and need for ESG management
- ESG assessment process
- Carry out on-desk assessment

ESG on-site due diligence

- ► Identify supplier's ESG status
- Supplier due diligence
- ▶ Build risk mitigation plan

feedback

- Implement measures (ESG benchmarking case study, etc.)
- Prepare report on results
- Supplier feedback

Composition of Assessment Metrics

To systematically identify and address risks within the supply chain, Hyundai E&C has established an ESG assessment checklist consisting of 109 items, based on the Supplier Code of Conduct and global standards such as the UN Global Compact, ILO Conventions, the UN Declaration on Human Rights, Responsible Business Alliance, the Building Responsibly Initiative, as well as domestic ESG guidelines and relevant regulations. The evaluation framework is continuously improved by analyzing supplier grievances, collecting employee feedback. and incorporating third-party expert reviews to enhance its credibility and effectiveness.

Labor & Human Rights —

- ► Transparent management, anticorruption, prevention of conflicts of interest
- ► Prevention of unfair trade
- Prevention of counterfeit parts
- Compliance with export restrictions
- Information protection
- · Responsible purchase of materials

Environment

- ► Establishment of an environmental management system
- Energy use and GHG emissions
- ► Water resource management
- Management of air pollutants
- ► Waste management
- ► Chemical substance management

Safety and Health

- Establishment of a safety and health management system
- Safety management of machinery. tools, and facilities
- Response to emergency situations
- Accident management
- Safety diagnosis

On-desk Assessment

Hyundai E&C regularly conducts supplier ESG self-assessments through online surveys. In 2024, a total of 215 out of 242 tier 1 suppliers completed the on-desk assessment. Potential ESG risks identified in the supply chain were additionally confirmed and verified through on-site due diligence.

On-site Due Diligence

To secure the reliability of on-desk assessments, Hyundai E&C selects business sites for on-site due diligence by comprehensively considering factors such as location, transaction size and characteristics, and management standards. Business sites with identified ESG risks during the on-desk assessment or negative impacts are expected are prioritized for on-site due diligence. The due diligence is conducted jointly by Hyundai E&C and second-parties, and an independent third-party assessment agency to ensure objectivity.

In 2024, among the 45 suppliers identified with negative impacts, 27 underwent on-site due diligence. Results showed that suppliers generally performed well in social (compliance with employment legislations) and governance (management stability, accounting transparency), while improvements were needed in environment (establishing dedicated environmental management teams, compliance with environmental regulations, waste management), social (setup of labor council, employment of persons with disabilities), and governance (measures to prepare for ESG management). To support these improvements. Hyundai E&C provides individual assessment reports and customized consulting services tailored to each supplier's situation.



Value Chain

Impact, Risk and Opportunity Management

Improvements to ESG Risks

Hyundai E&C supports each business site in developing and implementing action plans for improvement tasks identified through on-desk assessments and on-site due diligence. For key non-compliances identified in the supply chain ESG assessment, Hyundai E&C monitors whether suppliers have implemented appropriate and practical measures and reduced negative impacts. If mitigation is not achieved, such outcomes may be reflected in business decisions, including suspension or termination of contracts. Risks identified during on-site due diligence are addressed through discussions with site managers, taking into account the schedule, implementation method, and potential issues. Each site regularly monitors progress and thoroughly verifies task completion. In 2024, 45 suppliers were found to have negative impacts, and improvement plans were established and fully implemented for all of them. Best practices are shared with other suppliers to encourage voluntary ESG improvements.

Key Areas for Improvement in 2024

Environmental

Improvements needed in establishing environmental strategies, enhancing participation in environmental management, and preparing waste management measures

- Inadequate establishment of practical environmental strategies
- Need to expand participation in ecofriendly projects and purchase of green materials:
- ▶ 7 suppliers found in violation of environmental regulations,

While compliance with employment regulation is adequate, further improvement is needed in forming labor councils and hiring persons with disabilities.

- ► Labor councils insufficient at sites with over 30 employees
- ▶ High ISO19001 adoption, but lack of other certifications
- Safety and health management systems are generally sound

Governance

While management stability and accounting transparency are relatively sound, preparedness for ESG management remains insufficient.

- · History of major shareholder changes and fund outflows within appropriate range
- Insufficient Ethical management practices
- Low interest in ESG management

Value Chain Engagement Process

Hyundai E&C is strengthening communication with suppliers by holding guarterly meetings with H-Leaders (including H-Prime Leaders and H-Leaders) and outstanding partners known as H-Members. In February 2024, the company held the H-Leaders General Assembly and Executive Seminar, attended by representatives from 242 suppliers. The event recognized the contributions of excellent partners through an award ceremony and included sessions on safety and health, procurement, and support policies, fostering discussions on win-win cooperation and shared growth. In October 2024, Hyundai E&C hosted the "Hyundai E&C Tech Expo 2024" to identify, develop, and share outstanding products, recent construction trends, and technology prospects.

While more than 270 suppliers applied, only a final 70 were selected to take part, These selected suppliers showcased their products and technologies, engaged in supplier registration, participated in procurement consultations, and explored opportunities for joint research and development (R&D). Through these collaborations, they contributed to the technological advancement and competitiveness of the construction industry. Hyundai E&C will continue to enhance communication with its suppliers and pursue mutual growth and innovation.



H-Leaders General Assembly and Executive Seminar



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Hyundai E&C Tech Expo

Actions to Mitigate Material Risks and Manage Opportunities in the Value Chain

Hyundai E&C is enhancing sustainable supply chain management and advancing the selection criteria for outstanding suppliers (H-Leaders and H-Prime Leaders) to strengthen procurement competitiveness. In particular, suppliers with excellent capabilities in safety, quality, and process are selected as H-Prime Leaders and are provided with strategic procurement incentives totaling approximately KRW 800 billion as a support to their competitiveness. Additionally, we reinforce our supply chain risk management system by increasing the weight of safety and guality evaluations to 50% and adjusting registration groups for those below the standard. As of 2024, all suppliers have signed the Supplier Code of Conduct. We also conduct annual supply chain ESG assessments targeting significant suppliers and SMEs with insufficient ESG performance, providing analysis and feedback for improvement. To enhance communication with suppliers, we operate dedicated channels and continuously improve our policies to encourage ESG practices by granting extra evaluation points to suppliers with excellent ESG performance. In particular, suppliers excelling in safety management are rewarded with semiannual incentives; total of 47 suppliers were recognized and rewarded in 2024. Furthermore, we have implemented a supplier incentive system that reflects the results of supply chain ESG assessments.

Value Chain Grievance Mechanism

Hyundai E&C operates H-Dudrim, an integrated grievance channel, to actively address human rights issues and concerns raised by workers across the value chain, including reports of human rights violations and related risks, In 2024, a total of 176 grievances were submitted by suppliers and measures were taken in all cases. In addition, we operate a dedicated Safety Hotline (Sinmungo) to respond to potential risks on-site, including work suspension reports and health and safety suggestions. In 2024, a total of 6,890 safety-related reports—including issues with safety facilities, accident reports, and HSE suggestions—were received and fully addressed, reflecting our commitment to stakeholder engagement.

Value Chain

Impact, Risk and Opportunity Management

Measures for Shared Growth in the Value Chain

Shared Growth Strategy

Hyundai E&C is committed to shared growth with suppliers and sustainable value creation, setting "shared growth through win-win cooperation" as a key objective. To realize this, we operate various support programs based on the joint "H-Together" declaration, covering finance, education, recruitment, and welfare across five key areas: safety, quality, transparency, win-win cooperation, and new technology.

Through the H-Leaders system (H-Prime Leaders & H-Leaders) and reward programs for outstanding suppliers, the company recognizes supplier achievements and reinforces the value of win-win cooperation. In addition, Hyundai E&C plans to expand strategic procurement and support supplier training and consulting to foster long-term partnerships and strengthen fundamental competitiveness.

Shared Growth Management System

Hyundai E&C has established an integrated organizational system that enables multi-dimensional responses beyond function–specific units to systematically promote fair trade and win–win cooperation. We operate specialized bodies including the Compliance Council, Policy Support Team, Global Cooperation Team, Win–Win Management Committee, and Shared Growth Council to build an optimal collaboration system that supports fair trade and shared growth with our suppliers.



Sustainable Shared Growth Policy for Suppliers

Hyundai E&C operates a policy focused on win-win cooperation, safety, quality, transparency, and new technologies as a core element of supply chain management. The company manages a Win-Win Growth Fund worth KRW 166 billion, and implements practical measures such as KRW 800 billion for strategic procurement, safety consulting and digital safety wallets to enhance suppliers' safety management capabilities. As a result of these efforts, Hyundai E&C was obtained the highest grade for 6 consecutive years in the Win-Win Growth Index assessment in September 2024, and was selected as the "Best Honorary Honor Company," an award given to the top company for three consecutive years.

H-Together	Program	Overview and Performance
Share Together	 Financial Support Education Support Recruitment Support Welfare Support 	 Operated a Shared Growth Fund worth KRW 166 billion in 2024 to support interest payments, enabling suppliers to receive loans from financial institutions at interest rates lower than base rates; reduced performance guarantee deposits by 50% for excellent partners to alleviate financial burdens. Provided practical training programs in areas such as management, safety, quality, and ethics for supplier employees, and offered experiential training through a newly renovated Safety Culture Experience Center featuring AR and VR technologies. Offered an "ESG Shared Growth Executive Program for Construction Management" in collaboration with Chung-Ang University's Graduate School of Construction to provide education opportunities for top executives of suppliers and promote mutual exchange. Granted safety incentives through the operation of the H-Safety Wallet program.
Safe Together	 Expand incentives for suppliers with outstanding safety performance Advance payment of safety management costs Support for recruitment fee and wage of suppliers' safety managers Provide of smart safety equipment 	 Supported stable project volume allocation for suppliers with excellent performance in safety, quality, and execution through KRW 800 billion in strategic procurement in 2024. Eased suppliers' initial financial burden by providing 50% of subcontracted safety management costs in advance. Provided wage support for hiring dedicated safety managers for small and medium-sized suppliers executing projects under KRW 10 billion, where legal obligation to appoint safety personnel does not apply. Improved on-site safety by introducing body cameras, automatic hazard detection systems for clamshells, and Albased video recognition systems to prevent equipment entrapment.
Quality Together ක්රා	 Smart quality management system Ongoing supplier training and quality support Quality incentives for suppliers 	 Conduct real-time on-site inspections through the mobile-based smart integrated inspection system, Q-Pocket, utilizing features such as automatic notifications of scheduled tasks. Provide ongoing quality support and continuous quality improvement training materials to suppliers, enhancing their quality competitiveness. Reward suppliers and workers with outstanding quality management performance.
Clean Together	 Transparency training for supplier employees ESG consulting support for suppliers Operation of Cyber Audit Office and H-Dudrim grievance system 	 Implement ESG training, assessment/consulting related to suppliers' environmental management, social responsibility, and governance through professional third-party organizations to improve sustainability. Conduct training on improving awareness on environmental management and its management system, waste management, key focus areas in human rights and labor management, and ethics and transparency. Operate the H-Dudrim integrated grievance channel to establish a constant communication platform for suppliers to raise concerns and suggestions.
Smarter Together	 Tech Expo (discover outstanding technologies, support field application and technology development) Support Technology Development 	 Provide full R&D funding to SMEs with outstanding technologies and offer construction sites necessary for technology verification ad opportunities for commercialization. Drive technological growth and competitiveness across the construction industry by sharing outstanding products and technologies from suppliers.

APPENDIX

Value Chain

Metrics and Targets

Metrics

▲ 2024 Supplier Status^{1),2)}

Category	Number of Suppliers	Notes
Tier-1 Supplier	242	
Tier-1 Significant Supplier	44	32% of Tier-1 purchases
Non Tier-1 Significant Supplier	0	

¹⁾ No Tier-2 suppliers identified with significant impacts ESG impacts other than Tier 1 suppliers, Subcontracting of construction work is prohibited under the Framework Act on the Construction Industry.

▲ Supply Chain ESG Risk Assessment and Due Diligence Outcome in 2024

Category			Number of Suppli- ers	Notes
ECC Diale Caracasia a		Tier-1 Supplier	242	100% of Tier-1 Suppliers
ESG Risk Screening		Tier-1 Significant Suppliers	44	
		Tier-1 Supplier	215	88.8% of Tier-1 Suppliers
Suppliers Subject to Assessment		Tier-1 Significant Suppliers	44	100% of Tier-1 Significant Suppliers
	Consultana Islandifficationists	Tier-1 Supplier	45	18.6% of Tier-1 Suppliers
	Suppliers Identified with Negative Impacts	Tier-1 Significant Suppliers	5	11.4% of Tier-1 Significant Suppliers
Improvement Measures for High-	Suppliers with Agreed	Tier-1 Supplier	45	
Risk Suppliers	Improvement Plans	Tier-1 Significant Suppliers	5	
	Suppliers that have	Tier-1 Supplier	45	
	Completed Improvement Plans	Tier-1 Significant Suppliers	5	
Suppliers whose cont	racts are terminated	0		
Suppliers Subject to I	ong-Term/Technical Suppor	215		

Eco-friendly Procurement through Green Purchasing Policies

Hyundai E&C has established a Green Purchasing Guideline to minimize environmental impacts at construction sites and developed the Hyundai Environmental Goods Standard (HEGS), consisting of six eco-friendly procurement criteria, to manage green purchasing performance.

Following KRW 129.4 billion in eco-friendly purchases in 2022, we achieved KRW 737.6 billion in 2023 and KRW 762.1 billion in 2024, continuously expanding its results. When evaluating suppliers, Hyundai E&C incorporates eco-friendly management systems and certifications of products and services into the assessment criteria, embedding green purchasing policies across the supply chain. Moreover, in response to rising environmental demands, the company advanced its eco-friendly procurement management system in 2024 to further strengthen the green purchase certification management framework.

▲ Hyundai Environmental Goods Standard



▲ Eco-friendly procurement

(Unit: KRW 100 million)



Targets

Increase Supplier Sustainability Assessment and Correction Ratio to 100% by 2030

Hyundai E&C established a supply chain ESG assessment system for suppliers in 2020 to enhance sustainability across the entire supply chain. The company focuses on improving suppliers' sustainability levels through various ESG management support programs.

In 2024, assessments were conducted on 215 out of 242 Tier–1 suppliers, and improvement measures were taken for 45 suppliers identified with negative risks. While risk assessments currently prioritize significant tier–1 suppliers, we plan to expand this to all tier 1 suppliers by 2030.

²⁾ Criteria for Tier-1 suppliers: Suppliers with transaction records in the current year with excellent competitiveness across all areas of safety, quality and performance, including technical capabilities and sustainability (ESG).

Affected Communities

SOCIAL

Hyundai E&C has been promoting company-wide social contribution activities since 2009 to create value in local communities. Under the vision "We Build Tomorrow," Hyundai E&C is committed to building a sustainable future for all by carrying out strategic social contribution initiatives that reflect the characteristics of the construction industry, focusing on three key areas: Environment & Safety (Planet), Education & Technology (People). and Local Communities (Community).

Impacts, Risks, and Opportunities (IRO) Related to Affected Communities

Impact









▶ Resolving local community issues and enhancing local residents' quality of life through social contribution activities tailored to the characteristics of the construction industry

Hyundai E&C's Response

 Operation of social contribution programs such as community engagement in overseas markets, residential infrastructure development, and support for vulnerable groups

Risk & Opportunity





• Enhancing corporate reputation and brand value through social contribution activities, leading to increased customer demand and sales

Hvundai E&C's Response

 Operation of social contribution programs including youth education and the creation of biodiversity conservation gardens

Governance

APPENDIX

Hyundai E&C reviews the performance and plans for social contribution initiatives through deliberation and resolution by the Corporate Governance and Communication Committee within the Board of Directors, while the Sustainability Management Team leads the implementation of social contribution activities. To reflect the voices of internal and external stakeholders, Hyundai E&C operates Corporate Social Contribution Council, an Employee Council as the working-level secretariat, and an External Social Contribution Advisory Committee. These bodies collectively establish strategies to address community issues, including setting the direction for social contribution and evaluating the appropriateness of donations. The Employee Council monitors the employee donation program, "Sharing Love Fund," proposes community engagement activities based on employee feedback, and actively participates in selecting new and major social contribution projects. The External Advisory Committee evaluates the social impact of initiatives and enhances the effectiveness of the social contribution strategy based on the needs of the local community and various stakeholders. Through this governance structure, Hyundai E&C ensures transparency and fairness in its social contribution efforts. By incorporating the voices of employees, external experts, and local communities into its management practices, Hyundai E&C is taking the lead in creating social value and pursuing growth in partnership with local communities

Strategy

Social Contribution Strategy

Hyundai E&C has established the creation of community value for a better life as a strategic task under its sustainability strategy, "We Build a Sustainable Future." Through the three key focus areas — "Build for our Planet", "Build for our People", and "Build for our Community" — the company promotes social contribution activities grounded in the characteristics of the construction industry, thereby generating social value. Hyundai E&C actively engages in solving social issues by communicating with various stakeholders.

▲ Social Contribution Governance System



▲ Social Contribution Implementation System



Affected Communities

Social Contribution Mid-to-Long-term Roadmap

2024 ~2027 ~2030 Social Contribution **Expand social** Goal Contribution impact 34_{mile} CSR Mileage* 7_{mile} 10_{mile} (Performance) Planet · Establish CSR activities for Measure performance of ▶ Publish Impact Book on **Environment &** biodiversity protection biodiversity protection CSR biodiversity outcomes Safety Expand disaster safety • Expand disaster safety and Expand disaster safety project beneficiaries projects to overseas sites disaster relief projects Expand secured carbon Discover and support Develop new support credits through energy additional items for energy programs using revenue from efficiency improvement efficiency improvement donated carbon credits projects projects People Improve youth career/ Expand youth career/ • Expand support for youth Education & mentoring (including education mentoring education mentoring Technology multicultural and foreign programs programs vouth) Promote CSR activities in Promoting community- Introduce regular CSR Community activities linked to domestic newly entered overseas based CSR activities linked to Local regions overseas sites (newly entered Communities regions) Promote participatory Regularizing employee/family

* CSR Mileage: An annual mileage system that quantifies employee participation in social contribution based on time spent on volunteer activities, environmental

participation activities

programs reflecting employee

feedback

Impact, Risk and Opportunity Management

Community Impact Management

Due to the nature of the construction industry, Hyundai E&C integrates potential negative impacts of surrounding communities, such as environmental damage near construction sites, into our comprehensive risk management system. At bidding and execution stages, the company establishes processes tailored to project type, location, and expected types of community impact. These processes include pre-agreed mitigation measures and ensure that appropriate actions are taken and reflected in project budgets.

Community Policy

Hyundai E&C established a community policy in the first half of 2025 to mitigate and resolve potential risks in local communities through communication with stakeholders. By positioning community value creation as a strategic task within its sustainability agenda, the company is strengthening engagement with local communities across all domestic and overseas sites. Hyundai E&C actively collects feedback from local stakeholders and incorporates key agreements into decision-making processes for its social contribution programs, striving to fulfill its corporate social responsibility.



Community Engagement and Communication

Community Contribution and Support Program

2025 HYUNDAI E&C Sustainability Report

Expansion of Site-Centered Community Support

Hyundai E&C plans to strengthen activities that address local issues and needs by establishing a company-wide CSR support system focused on communities connected to its business operations. Based on proposals reflecting the needs of local communities near construction sites, the company will implement various community support programs, including housing condition improvements, neighborhood beautification, and assistance for vulnerable groups. In addition, Hyundai E&C will introduce a company-wide cooperation process that utilizes its construction expertise to support disaster recovery efforts, further reinforcing the link between construction sites and surrounding communities.

Housing Condition Improvement

- Renovation of housing for vulnerable
- Maintenance of aging local facilities (e.g., welfare centers, senior centers)

Neighborhood Beautification –

- → Urban beautification (e.g., mural painting)
- ▶ Improvement of local infrastructure (e.g., sidewalks, safety railings)

Support for Vulnerable Groups

- Support for vulnerable groups through essential goods, living assistance, and welfare and cultural programs etc.
- Employee Participation Activities

Community Grievance Resolution Process

To minimize negative impacts on local stakeholders affected by our business activities, Hyundai E&C operates grievance resolution channel, Local stakeholders, including employees, supply chain partners, and consumers, can raise concerns through online and offline channels such as H-Dudrim. All submitted grievances are delivered to relevant departments for appropriate handling and resolution.

1 Planning

Operation of volunteer groups

for planned activities by employees and their families

Establish social contribution plans based on internal strategies and community characteristics

2 Collecting

Gather opinions and feedback from stakeholders

3 Reflecting Feedback

Reflect stakeholder opinion in the planning and implementation of community programs

Monitor implementation status through follow-up consultations and field visits

⑤ Disclosure

Manage and Disclose Stakeholder Engagement Performance (e.g., Sustainability Report)

OVERVIEW

MATERIAL TOPIC

ENVIRONMENTAL

Affected Communities

Impact, Risk and Opportunity Management

Hyundai E&C carries out various initiatives to minimize negative impacts and maximize positive outcomes in local communities.

SOCIAL



SDGs 7 Affordable and Clean Energy



SDGs 11 Sustainable Cities and Communities



SDGs 15 Life on Land

PLANET

H-Nature Garden (Biodiversity Conservation Garden)

Hyundai E&C signed a business agreement in 2024 with the Gangwon State Natural Environment Research Park to promote biodiversity conservation and based on the local ecosystem, the company established a garden to protect endangered plant species, H-Nature Garden No. 2 was completed within the research park in Hongcheon. and No. 3 was created within Hillstate Wonju Restige, In 2025, Hyundai E&C plans to designate a Hillstate complex in Gyeonggi for the next garden. Continuous monitoring of Gardens No. 1 ~ 3 will be conducted, along with biodiversity programs for citizens and residents.

*SROI (Social Return on Investment): A metric used to measure the social outcomes of a company's activities.



H-Nature Garden Wonju Restige

2024 Key Project Outcomes

Habitat Creation

2 sites

Total Area **1.960**m²

Planted Species (Quantity)

6 endemic species, 8 endangered species (total of 1,680 plants)

Biodiversity Conservation and Environmental Cleanup Activities

Hyundai E&C expanded employee participatory social contribution programs to promote biodiversity conservation near construction sites by conducting activities to protect local river ecosystems. In addition, employees and their families have taken part in biodiversity enhancement efforts at the Yeouido Saetgang Ecological Park, including nurturing young trees, protecting otter habitats, and creating an ecological forest environment.



Employee Biodiversity Conservation Activities

H-Green Savings (Energy Efficiency Improvement Project for the Energy-Vulnerable)

SDGs 13 Climate Action

Since 2021, Hyundai E&C has been contributing to greenhouse gas reduction by improving energy efficiency for energy-vulnerable households and social welfare facilities, in collaboration with the Climate and Environment Headquarters of Seoul Metropolitan Government, the Korea Energy Agency, and the Seoul Council on Social Welfare. By 2024, a total of 1,599 LED lights were installed in six vulnerable households and 13 social welfare facilities, and solar panels with a capacity of 117kW were installed in four social welfare facilities, resulting in a reduction of 76 tCO₂/year. The carbon credits certified by the Korea Energy Agency will be re-donated to the Seoul Energy Welfare Citizens Fund and used for energy education programs for youth. In 2025, Hyundai E&C plans to continue this initiative by installing 72 kW of solar panels in three additional social welfare facilities.



H-Green Savings

2024 Key Project Outcomes

Supported Institutions **2** FA

Total Installed Capacity 85 kW

Electricity Savings (10 years) **1,128,800** kWh

Greenhouse Gas Reduction (10 years) **530.1** tCO₂-eq

Safety Helmet Distribution and Disaster Education

Hyundai E&C is carrying out a social contribution program that provides accident safety education and provide safety supplies to enhance children's response to natural disasters. In 2024, the program expanded its coverage from the existing regions of Gyeongju, Busan, and Pohang to Uljin-gun, Gyeongbuk, where the construction site for Shin Hanul Units 3–4 is located. A total of 3,100 safety helmets. improved in both structure and materials, were distributed to 11 elementary schools. Comprehensive safety education and participatory evacuation drills were conducted for all students to help them respond quickly in emergency situations. Hyundai E&C plans to continue this program in 2025 with the distribution of safety equipment and realistic evacuation training to prevent accidents and ensure children's safety in disasters.



Disaster Safety Education

2024 Key Project Outcomes

Supported Schools **11** (9 for education)

2.465

Number of Faculty **Members** 354

Number of Safety **Helmets Supplied** 3,100

Number of Students

SDGs 1 No Poverty

SDGs 3 Good Health and Well-Being

Affected Communities

Impact, Risk and Opportunity Management



SDGs 4 Quality Education

PEOPLE

Hillstate Dream Mentoring Volunteer Group

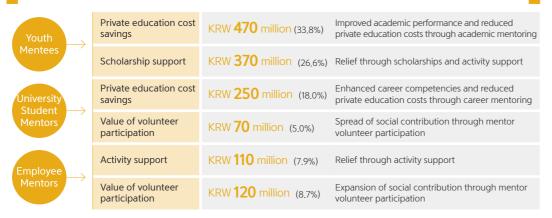
SDGs 4

Hyundai E&C's "Dream Mentoring Volunteer Group" is a social contribution program in which employees donate their time and expertise to help strengthen the career development capabilities of youth and university students. The program operates as a three–way mentoring system where Hyundai E&C employees mentor university students by sharing professional experience and career guidance, while those university students, in turn, provide academic tutoring to youth mentees. Celebrating its 10th anniversary in 2024, the Dream Mentoring Volunteer Group has engaged a total of 535 participants—employees, university students, and youth mentees—over the past decade, completing 8,404 sessions and accumulating 19,826 hours of activity. The program's social value over this period is estimated at approximately KRW 1.39 billion(SROI 133%), generating impact not only by reducing private education costs for youth and students, but also by promoting a culture of sharing through volunteerism.

*SROI (Social Return on Investment): An indicator that measures the social outcomes of a company's activities.

Performance over the past 10 years

	Total Mentoring & Joint Activity Hours 19,826 hours		Total Mentoring & Joint Activity Sessions 8,404 sessions		
eople A	Academic Mentoring	13,850 hours	Academic Mentoring	6,925 times	
eople	Career Mentoring	5,796 hours	Career Mentoring	1,449 times	
eople		· ·		,	
eople Jo	oint Activities	180 hours	Joint Activities	30 times	
	eople	eople Career Mentoring eople laint Activities	eople Career Mentoring 5,796 hours	eople Career Mentoring 15,850 Hours Academic Mentoring eople Laint Activities 180 hours Loint Activities	



COMMUNITY

Global CSR Activities

SDGs 1 SDGs 3

Hyundai E&C mandates the implementation of CSR initiatives when entering developing countries with limited CSR infrastructure. Since 2011, Hyundai E&C has carried out a total of 57 projects across 25 countries—including Indonesia, Vietnam, the Philippines, and Bangladesh—covering areas such as health and sanitation, support for vulnerable groups, education, livelihood assistance, and public facility renovations. In 2024, Hyundai E&C provided food supplies to 5,100 households and school supplies to 2,900 students across 10 regions, including Calumpit, Apalit, San Pedro, and Calamba, where the Northern section of the South–North Railway project and South Commuter Railway Project Contract Package S-4/5/6 are under construction. Additionally, a childcare center was established in Santa Rosa to enhance the infrastructure for supporting underprivileged children in the local community.

2024 Key Project Outcomes

Target Areas
Construction Sites
10 cities

Food Support **5,100** households

2,900 students

Infrastructure Development
Childcare center built in
Santa Rosa City

Employee Participation Activities



SDGs 3

Hyundai E&C is continuously promoting employee–driven social contribution activities to support the development of local communities near its domestic and overseas business sites. Since 2010, the company has operated the "Sharing Love Fund," a donation program in which employees voluntarily contribute a portion of their salaries. In 2024, KRW 216 million was raised, bringing the cumulative total to approximately KRW 4.3 billion. The fund is allocated to support underprivileged communities near domestic and international project sites, based on deliberation and resolution by the employee council. In addition, employees actively participate in local community initiatives such as support programs for the elderly living alone in Jongno, where the headquarters is located, sisterhood programs with Gahoe–dong, blood donation and donation drives, and volunteer activities involving employees and their families.



Sharing Love Fund Donation Ceremony



Employee Volunteer Activities



Completion Ceremony of the Childcare Center in Santa Rosa, Philippines

APPENDIX

Affected Communities

Impact, Risk and Opportunity Management

Effectiveness Evaluation of Community Engagement

SOCIAL VALUE CREATION IN HDEC

Hyundai E&C is creating social value through strategic social contribution activities focused on three key areas: environment and safety (Planet), education and technology (People), and the local community (Community). These activities include processes to quantitatively measure and manage the outcomes of efforts to address local issues. Hyundai E&C closely monitors the output, outcome, and impact of its initiatives relative to resource input, using objective data to prioritize activities. This enables the company to efficiently allocate limited resources and further enhance the social value it creates. In addition, Hyundai E&C effectively communicates the outcomes of its social contribution efforts to various stakeholders—including investors, rating agencies, customers, employees, local communities, and NGOs—ensuring transparent engagement in its value creation.

Category	Description	Hyundai E&C's Key Achievements and Standard for Calculation of Output	2024 Performance (SROI)		
Planet (Environment/Safety)	Safety Helmet Distribution and Disaster Education • Enhancing disaster response capabilities by providing safety education,	 Reduction in school expenditure by providing safety supplies Increased safety awareness among students and faculty through safety education 	KRW 0.22 billion		
	hands–on training, and distributing safety equipment—including lightweight disaster helmets—to elementary schools located in earthquake–affected and high–risk areas	Social value measured based on market value per safety item and number of education program beneficiaries			
	 H-Green Savings Addressing energy poverty among vulnerable groups through energy welfare activities such as installing solar panel and replacing existing 	 Cost savings in social welfare facility operations Contribution to community-level GHG reduction through solar panel installation Increased revenue by selecting a social enterprise as the installation contractor 	KRW 0.38 billion		
	lighting with LED fixtures	Calculated based on solar panel investment cost, electricity savings, and the social cost of carbon			
/	H-Nature Garden	 Value creation through the establishment of biodiversity conservation habitats Raised awareness through biodiversity education and experiential programs for residents and citizens 	KRW 0.59 billion	1 6 2	
	 Creating gardens of local specialty and endangered plant species within Hillstate apartment complexes and public areas 	Consideration of the number of apartment residents, annual public institution visitors, and education participants for biodiversity conservation value	RRW 0.39 billion	1.62 billion	
People (Education/ Technology)	Dream Mentoring Volunteer Group Providing academic tutoring and career counseling to youth mentees from low-income families, and offering college student mentors	 Reduction in private education costs for low-income youth through tutoring and career counseling Scholarship and activity stipend support for college student mentors Social impact through volunteer participation 	KRW 0.18 billion		
MOM WOM	guidance on social experience, major-related expertise, and career consultation	Based on market value of mentoring and volunteer hours			
Community (Local Community)	Employee Volunteer Activities Various community contribution activities carried out based on direct participation of employees, including environmental protection, support	 Improved health outcomes by providing side dishes and healthy meals to vulnerable groups Environmental cleanup results through protection of the Saetgang Ecology Park wildlife habitat Additional contributions such as preservation of Changdeokgung cultural assets, item donations, and blood drives 	KRW 0.25 billion		
	for low-income households, and donations, etc.	Social value measured by volunteer hours per participating employee and by program type			

Affected Communities

Metrics and Targets

Metrics

Social Contribution Performance Management System

Since 2010, Hyundai E&C has operated a CSR mileage system that reflects social contribution performance in each division's KPIs. The company also encourages employee participation by recognizing outstanding contributors, expanding the scope of awards from individuals to teams, and providing incentives and prizes. In 2024, a total of 3,120 employees participated in CSR activities, recording 10,329 hours, with an average of 3.4 Mile earned per person.

▲ Social Value Creation Metrics for Affected Communities

C	Category	Business KPI	Social KPI
	H-Nature Garden	 Create at least one biodiversity conservation habitat linked to the housing brand 	 Create at least one biodiversity conservation habitat in public areas Program satisfaction score of 4.0 or higher
Planet (Environment/ Safety)	H–Green Savings	 Secure carbon credits through greenhouse gas reduction 	 Support for at least three welfare facilities in Seoul/Metropolitan area Beneficiary (institution) satisfaction score of 4.0 or higher
	Safety Helmet Distribution and Disaster Education	• Support six or more elementary schools annually near disaster–prone or high–risk areas	 Contribute to disaster prevention through provision of safety helmets and education Program satisfaction score of 4.0 or higher
People (Education/ Technology)	Dream Mentoring Volunteer Group	► Employee talent donation (at least 10 participants per cohort)	 Improve educational environment through academic support for youth Provide career exploration opportunities for youth and university students Program satisfaction score of 4.0 or higher
Community (Local Community)	Employee Volunteer Activities	 Annual minimum 4 hours of volunteer work (5 Miles per person) 	Contribution to solving local community issues

Recognition as a Community Contribution Enterprise

Hyundai E&C was selected as a "CSR in the Community 2024" for the second consecutive year in recognition of its efforts to address local community issues. CSR in the Community 2024, jointly organized by the Ministry of Health and Welfare and the Korea National Council on Social Welfare, acknowledges companies and institutions that have formed partnerships with nonprofit organizations and continuously carried out community engagement activities. Hyundai E&C was recognized for its active participation in supporting community welfare and resolving local issues. The company will continue contributing to the development of local communities through its social contribution initiatives.



Targets

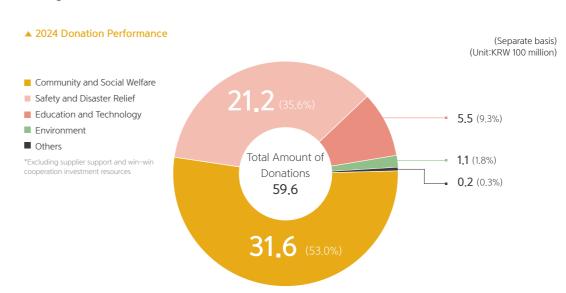
77% of Hyundai E&C's donations were aligned with the Sustainable Development Goals (SDGs), surpassing the initial target of 75%. In 2025, the company plans to increase this ratio to 80% to further enhance the sustainability of local communities.

Target	Unit	2024 (Target)	2024 (Performance)	2025
Percentage of Donations Linked to SDGs*	%	75	77	80
CSR Mileage	Mile	5.0	3.4	5.0

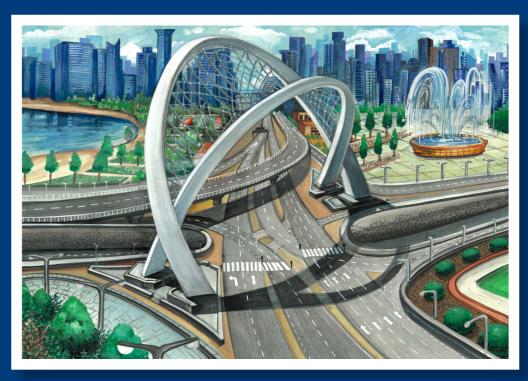
^{*} Donations Linked to the Sustainable Development Goals (SDGs): Donations made to generate social and environmental value in alignment with the 17 goals set by the United Nations.

Community Donations and Support Activities

Hyundai E&C continues to build trust through ongoing engagement with local communities and is expanding its social contribution efforts based on voluntary employee participation. In 2024, KRW 3.16 billion, accounting for 53% of the total donations of KRW 5.96 billion, was allocated to community and social welfare initiatives. The company is committed to fostering sustainable coexistence with local communities at both domestic and overseas sites.



OVERVIEW MATERIAL TOPIC ENVIRONMENTAL SOCIAL GOVERNANCE APPENDIX | 📦 🗎 2025 HYUNDAI E&C Sustainability Report | 95



Winner of the Grand Prize in the Middle and High School Division of the Employee Children's Art Contes (Jo Hana – The Connection Between You and Me)

GOVERNANCE

- 96 Corporate Governance
- 106 Ethics and Compliance Management
- Information Security

Corporate Governance

ESRS-G1

SOCIAL

As a responsible corporate citizen, Hyundai E&C is committed to sustainable management by fostering a culture of integrity and establishing a sound governance structure. The company practices responsible management through a Board of Directors that upholds independence, expertise, and diversity. It has also implemented a fair performance evaluation and transparent compensation system. Furthermore, Hyundai E&C strives to protect shareholder rights through shareholder return policies and by ensuring voting rights.

Impacts, Risks, and Opportunities (IRO) Related to Corporate Governance

Impact









Description

▶ Enhancing organizational efficiency and strengthening transparency and soundness of management by promoting the independence, expertise, and diversity of the Board of Directors

Hyundai E&C's Response

- ▶ Operation of the Corporate Governance and Communication Committee under the Board of Directors
- Regular training for the Board of Directors and efforts to improve diversity of the Board of Directors.

Risk & Opportunity





▶ Negative feedback from stakeholders may lead to reduced capital inflows from investors, If the independence, expertise, and diversity of the Board of Directors are not ensured

Hyundai E&C's Response

► Conduct performance evaluations of the Board of Directors and third-party assessments of board activities

Governance Principles

APPENDIX

Hyundai E&C has established a transparent corporate governance system centered on a professional management structure and the Board of Directors. reflecting the recommendations of the Corporate Governance Code of Best Practices in line with international standards. Through this system, Hyundai E&C pursues value-driven, global future-oriented, and sustainable management. aiming to build a sound governance structure that balances shareholder value with the interests of stakeholders. Furthermore, the company has adopted a Corporate Governance Charter that defines the independence of the Board of Directors and sets the standards for ensuring such independence. Hyundai E&C enhances governance transparency and actively upholds shareholders' right to information by publishing an annual Corporate Governance Report.

Preface of Corporate Governance Charter of Hyundai E&C

We, Hyundai E&C, a global leading construction company with the philosophy of Human Respect and Enterprise Patriotism, aim to maximize corporate value and build stakeholders' trust with reasonable and transparent management,

Corporate Governance of Hyundai E&C aims to set a sound Governance Structure that creates shareholder's value and appreciates interest of internal and external customers through professional management under the supervision of independent Board of Directors,

▲ Corporate Governance Structure



Board of Directors

Appointment of Directors

All directors of Hyundai E&C are appointed through resolutions at the general meeting of shareholders, and independent directors are selected from candidates recommended by the Nominating Committee for Independent Directors. These candidates are finalized following deliberation by the Board of Directors and are presented as individual agenda items at the general meeting for appointment. Currently, no members of the Board concurrently hold more than four positions. During the nomination and appointment process, expertise in finance, accounting, law, construction and engineering, and safety management, as well as gender diversity, are taken into account, In particular, for independent director candidates, the company thoroughly reviews any potential conflicts of interest and disqualifying factors related to independence.

Board Composition

Hyundai E&C's Board of Directors consists of three inside directors and four independent directors, ensuring transparency in management and effective oversight of the board. In particular, to maintain the independence of the board, 57.1% of its members are independents—exceeding half of the total number of directors—which satisfies the requirement under Article 542(8)1 of the Commercial Act, Given the nature of the construction and engineering industry, where prompt decision-making at domestic and international sites is critical, the CEO also serves as the Chair of the Board to prevent delays in decision-making and enhance corporate competitiveness. Furthermore, the chairs of all board committees are appointed from among the independent director to ensure the independence of the Board of Directors.

Individual Agenda Items for Director Appointment

Hyundai E&C presents the appointment of each director as a separate agenda item. Directors are appointed with the approval of a majority of shareholders present at the general meeting. For the appointment of independent directors who will serve on the Audit Committee, a separate election is held in accordance with the "3% rule" under the split election system.

Date	Туре		Description
03 Jan 2025	Extraordinary General Meeting of Shareholders	Item 1	Election of Lee Han–Woo as Inside Director
20 Mar 2025	Annual General Meeting of	Item 3-1	Election of Hwang Joon–Ha as Inside Director
	Shareholders	Item 3-2	Election of Chung Moon–Ki as Independent Director
		Item 4	Election of Chung Moon-Ki as member of Audit Committee

Corporate Governance

Board of Director

Members of the Board of Directors^{1),2)}

(As of March 20, 2025, the date of appointment at the 75th Annual General Meeting of Shareholders)

								Board Ski	lls Matrix		
Position	Name	Gender	Date of Appointment	Career Experience	Sector	Leadership	Accounting/ Finance/ Management	Industry/ Technology (Construction)	Legal/Policy	Global Expertise	ESG
CEO (Chairperson)	Lee Han-Woo	Male	03 Jan 2025(Appointed)	(Current) CEO of Hyundai E&C (Former) Head of Housing Works Division at Hyundai E&C Education: B,S. in Architectural Engineering at Seoul National University	Business Management, Industry/Technology (Construction)	•	•	•		•	
Inside Director	Kim Do-Hyung	Male	21 Mar 2024(Appointed)	(Current) CFO of Hyundai E&C (Former) Head of Finance Management Department at Hyundai E&C Education: B.A. in Economics at Seoul National University	Accounting/Finance/ Management	•	•	•		•	•
Inside Director	Hwang Joon-Ha	Male	24 Mar 2022(Appointed) 20 Mar 2025(Reappointed)	(Current) CSO of Hyundai E&C (Former) Head of Procurement Division at Hyundai E&C Education: B.A. in Trade at Hankuk University of Foreign Studies	Industry/Technology (Safety Management)	•	•	•		•	•
Independent Director	Kim Jae-Jun	Male	19 Mar 2020(Appointed) 23 Mar 2023(Reappointed)	(Current) Professor of Architectural Engineering at Hanyang University (Former) President of the Korean Institute of BIM (Former) Visiting Researcher at University of California, Berkeley Education: Ph.D. in Construction Management at University of Illinois	Industry/Technology (Architectural Engineering, BIM)	•		•		•	
Independent Director	Hong Dae-Sik	Male	19 Mar 2020(Appointed) 23 Mar 2023(Reappointed)	(Current) Professor of Law at Sogang University Law School (Current) Lotte Hi-Mart independent director (Former) Attorney at Yulchon L.L.C. (Former) Visiting Researcher at University of London (Former) Policy Advisory Panel Member at Trade Commission Education: Ph.D. in Law at Seoul National University	Legal/Policy, ESG	•			•	•	•
Independent Director	Cho Hye-Kyung	Female	25 Mar 2021(Appointed) 21 Mar 2024(Reappointed)	(Current) Professor of IT Convergence at Hansung University (Former) President of the Korea Robotics Society (Former) Visiting Researcher at the Robotics Institute, Carnegie Mellon University Education: Ph.D. in Robotics at Seoul National University	Industry/Technology (Construction Robots)	•		•		•	
Independent Director	Chung Moon-Ki	Male	24 Mar 2022(Appointed) 20 Mar 2025(Reappointed)	(Current) Visiting professor of Business Administration at Sungkyunkwan University (Former) Independent Directors and Chairman of the Board at POSCO (Former) Vice President of the Korean Accounting Association (Former) Partner (Executive Director) and Head of Quality Control at PwC Education: Ph.D. in Business Administration at Sungkyunkwan University	Accounting/Finance/ Management	•	•			•	•

¹⁾ Average tenure of board members is 3 years

²⁾ Changes in composition due to revised Board Skills Matrix criteria

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Corporate Governance

Board of Director

Independence, Diversity, and Expertise of the Board

Independence of the Board

Hyundai E&C strictly adheres to strict standards to ensure the independence of independent directors, fully complying with the requirements of the Commercial Act of Republic of Korea, Furthermore, the company thoroughly follows the independence criteria set forth in its Corporate Governance Charter when appointing independent directors, based on the operational regulations of the Nominating Committee for Independent Directors. Through these measures, Hyundai E&C continues to strengthen a sound governance structure by forming independent director-led committees and enhancing the functions of the Audit Committee.

Standards for Independence of Outside directors (independent directors)

Outside directors(independent directors) shall have deep knowledge or rich experience in the industrial, financial, academic, legal, accounting, and public sector, and must have no material interests with the Company in the last five (5) years as stated below.



- 1 Records of being employed in the Company or its affiliates for the past 5 years
- 2 Records of director's family member(s) being employed by the Company or its affiliates for the past 3 years
- 3 Records of receiving non-wage compensation in excess of USD 60,000 yearly, except for those circumstances allowed by SEC Rule 4200 Definitions
- 4 Currently not employed by the Company's external auditor
- (5) The Director is not an executive or employee of a corporation that i) provides the advisory services to the Company ii) has signed the technical partnership with the Company
- 3 Records of director being hired by the Company or the representative of the Company for Advisory / consulting
- ? Records of director being employed by a corporation that has ongoing business with the Company the amount exceeding the Company's total assets or the 10% of the Company's operating Profit for the past 3 years
- 3 Records of Director's employed organization(s) signing the contract with the Company exceeding the 10% of the Company's
- 9 Records of the director being irrelevant to those matters dealt in the Committees

Diversity of the Board

As stated in Hyundai E&C's Corporate Governance Charter, the company imposes no restrictions on gender, nationality, or age in the composition of its Board of Directors, In line with this principle, Hyundai E&C appointed Cho Hye-Kyung, an independent director with expertise in construction robotics, in 2021 and reappointed her in 2024 to enhance board diversity. By promoting such diversity, the company aims to analyze critical corporate decisions from multiple perspectives, identify business-related opportunities and risks in advance, and ultimately strengthen its overall competitiveness.

Director's Responsibility

Operation and Authority of Huyndai E&C's Board of Directors 🗷

The directors of Hyundai E&C are required to faithfully perform their duties in the interest of shareholders and must not disclose any business secrets obtained in the course of their duties. If a director violates laws or the Articles of Incorporation, or negligently performs their duties, they are liable to compensate the company for any resulting damages, with no limitation on such liability. To ensure accountability and attract competent individuals as directors, Hyundai E&C has purchased directors' liability insurance at the company's expense.

Expertise of the Board

The Board of Directors of Hyundai E&C plays a central role in effectively addressing various issues and providing practical solutions, leveraging the diverse expertise accumulated across different fields. The Board of Directors is primarily composed of experts in law, finance, accounting, construction and engineering, and safety management, and is responsible for strategic decision-making and business oversight aimed at strengthening the company's competitiveness. As of March 2025, the Board of Directors consists of seven members, including inside directors with experience in safety management and independent directors with expertise in construction technology. In particular, Chairman Lee Han-Woo, Inside Director Hwang Joon-Ha, and Independent directors Kim Jae-Jun and Cho Hye-Kyung possess extensive experience in industries classified under the Global Industry Classification Standard (GICS)* and have a deep understanding of smart construction.

*GICS (Global Industry Classification Standard): An industry classification system jointly developed by global investment institutions to consistently categorize companies worldwide

Training for the Board

Hyundai E&C is committed to enhancing the expertise of its independent directors through the establishment of an annual training plan and a variety of educational programs. In 2024, the company conducted training sessions on topics such as improving understanding of business and project sites, the importance of cybersecurity, digital audits, the role of the Audit Committee, and the legal institutionalization of internal accounting control assessment and reporting standards. In particular, Hyundai E&C provided independent directors with opportunities to visit domestic and overseas project sites for hands-on risk education. Regular site visits and training seminars were also held to share detailed information about the company's operations, thereby strengthening the board's overall understanding.

▲ 2024 Training Overview for Independent Directors

Date	Training Provider	No. of Attendees	Training Details
07 Jan 2024	Hyundai E&C Board of Directors	4	Visit to overseas sites to enhance understanding of the business
14 Jun 2024	Samil PwC	4	Enhance understanding of the construction industry through safety training at construction sites
			Importance of cybersecurity, IT control, and understanding digital auditing
04 Jul 2024	Samjong KPMG	1	Compliance oversight by directors and audit committee members
on Jul 2024 Salfijolig Krifid		Corporate value-up programs and the roles of the Board of Directors and the audit committee	
06 Sep 2024	Hyundai E&C Board of Directors	4	Enhance understanding of the business through visits to domestic sites
22 Oct 2024	Samil PwC	4	Understanding the legislation of internal accounting control evaluation and reporting standards
			Key issues in the amended Commercial Act and its impact on the Board
21 Nov 2024	Samil PwC	1	Analysis of the causes of the Korea Discount and strategies for corporate value-up
			Current status and implications for Board of Directors of listed companies

Board of Director

Operations of the Board of Directors and Committees

Operations of the Board of Directors

In accordance with Article 6 of the Board of Directors Regulations, Hyundai E&C holds regular Board of Directors meetings four times a year. Extraordinary meetings may be convened as needed. The Board of Directors may be convened either by the Chair or, if necessary, by another director requesting the Chair to do so. In compliance with the Articles of Incorporation, all directors are notified of the meeting at least seven days prior to the scheduled date. Agenda items are resolved with the approval of a majority of the directors present. All decision-making processes are transparently documented in the meeting minutes, which record the agenda items, procedures, voting results, dissenting directors, and reasons for opposition.

▲ 2024 Major ESG Agenda Deliberations by the Board of Directors

Date	Details	Approval Status	Attendance Rate	Approval Rate*
23 Jan 2024	Revision of regulations of board of directors	Approved	85.7%	100%
	Approval of the operation and plan of the safety and health management system	Approved	85.7%	100%
21 Feb 2024	Approval of ESG result of 2023 and advance plan for 2024	Report	85.7%	-
	Report on the operation and plan of CP	Report	85.7%	-
	Report on the operation and plan of ISO 37001	Report	85.7%	-
21 Mar 2024	Appointment of the chairman of the board of directors	Approved	100%	100%
	Composition of committees within the board of directors and appointment of members	Approved	100%	100%
19 Jul 2024	Report on the Status and Plan of the Fair Trade Compliance Program (CP) Operation	Report	100%	-

▲ Average Attendance Rate of the Board of Directors in 2024

Average Attendance Rate

95.6%



Attendance Rate of **Inside Directors**

89.3%



Attendance Rate of Independent directors

100%



Committees under the Board of Directors

Hyundai E&C operates four committees under its Board of Directors: the Audit Committee, the Nominating Committee for independent directors, the Compensation Committee, and the Corporate Governance and Communication Committee, Each committee maintains its independence by satisfying the required proportion of independent directors and is composed of members with expertise in relevant fields in accordance with the Commercial Act and the Regulations of the Board of Directors. Furthermore, information such as attendance rates, agenda items, and approval status for each committee is transparently disclosed in the company's business report.

Audit Committee

Composition

Hyundai E&C established the Audit Committee to ensure independence in the audit process and to guarantee transparent and reliable audits. The committee is composed entirely of four independent directors, including the chairperson, thereby maintaining its independence. Among them, Chairperson Jung Moon-Ki possesses expertise in accounting and finance, contributing to strategic decisionmaking and in-depth auditing.

Role

The Audit Committee audits the legality of the duties performed by directors and management. As a committee under the Board of Directors, it operates independently from management and specific shareholders. To fulfill its duties, the committee may request business reports, examine the company's operations and financial condition, and summon relevant employees or external parties to attend meetings and provide their opinions.

Support Organization

2025 HYUNDAI E&C Sustainability Report

Hyundai E&C operates the Finance Planning Team, Accounting Team, and Audit Team as support organizations for the Audit Committee, Among them, the Finance Planning Team provides administrative support, including reviewing and submitting agenda items to the committee and managing meeting minutes.

▲ Composition of the Audit Committee

(As of March 20, 2025, the date of appointment at the 75th Annual General Meeting of Shareholders)

Name	Chung Moon-Ki	Kim Jae-Jun	Hong Dae-Sik	Cho Hye-Kyung
Director Classification	Independent Director	Independent Director	Independent Director	Independent Director
Position	Chairperson	Member	Member	Member
Expertise in Accounting/Finance	0*	-	-	-

^{*} Certified public accountant (Type 1), holder of a degree in accounting/finance (Type 2)

▲ Audit Committee Operations in 2024

Date	Details	Approval Status	Attendance Rate	Approval Rate
23 Jan 2024	Approval of the 74th financial statement	Approved	100%	100%
	Approval of the 74th business report	Approved	100%	100%
	Approval of internal audit results for 2023 and plans for 2024	Approved	100%	100%
	Approval of general policy for non-audit services by external auditors	Approved	100%	100%
	Report on evaluation of the Internal Control over Financial Reporting for 2023 and two additional items	Report	100%	-
21 Feb 2024	Report and evaluation for operational status of Internal monitoring systems in 2023	Report	100%	-
	Report on audit fulfillment for the 74th financial statement and communication	Report	100%	-
19 Apr 2024	Report on result of compliance about appointment of external auditors for 2023 and two additional items	Report	100%	-
19 Jul 2024	Revision of Regulations of Internal control over financial reporting and four additional items	Report	100%	-
22 Oct 2024	Report on pre–consultation of non–audit services by external auditors and two additional items	Report	100%	-
18 Dec 2024	Report on evaluation of the external auditor candidates and appointment of the external auditor	Approved	100%	100%

Corporate Governance

Board of Director

Operations of the Board of Directors and Committees

Nominating Committee for Independent Directors

Composition

Hyundai E&C has established and operates the Nominating Committee for Independent Directors based on relevant laws and the regulations of the Board of Directors to recommend candidates suitable for the company. The Committee is composed of two independent directors and one inside director, ensuring that a majority of the members are independent directors in compliance with applicable laws,

Role

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The Nominating Committee for Independent Directors ensures fairness and transparency in the recommendation process by thoroughly reviewing and evaluating candidates' capabilities, qualifications, and compliance with legal requirements for independence in accordance with the Committee's operational standards. Candidates who can contribute meaningfully to Hyundai E&C are then recommended.

▲ Composition of the Nominating Committee for Independent Directors

(As of March 20, 2025, the date of appointment at the 75th Annual General Meeting of Shareholders)

Name	Cho Hye-Kyung	Lee Han-Woo	Chung Moon-Ki
Director Classification	Independent Director	Inside Director	Independent Director
Position	Chairperson	Member	Member

▲ Nominating Committee for Independents Operations in 2024

Date	Details	Approval Status	Attendance Rate	Approval Rate
21 Feb 2024	Recommendation of independent director candidates	Approved	100%	100%
21 Mar 2024	Appointment of chair of nominating committee for independent directors	Approved	100%	100%

Compensation Committee

Composition

Hyundai E&C has voluntarily established and operates the Compensation Committee to ensure transparent and reasonable compensation policies, while promoting independent and responsible governance aimed at enhancing shareholder value. The Committee is composed of three members, including two independent director and one inside director, with independent director comprising the majority in accordance with relevant regulations.

Role

The Compensation Committee reviews the remuneration limit for registered directors to be submitted to the general shareholders' meeting and makes decisions on matters related to the remuneration of inside directors, as delegated by the Board of Directors.

(As of March 20, 2025, the date of appointment at the ▲ Composition of the Compensation Committee 75th Annual General Meeting of Shareholders)

		70017111	Timidal deficial freeting of onateriolaers	
Name	Kim Jae-Jun	Kim Do-Hyung	Hong Dae-Sik	
Director Classification	Independent Director	Inside Director	Independent Director	
Position	Chairnerson	Member	Member	

▲ Compensation Committee Operations in 2024

Date	Details	Approval Status	Attendance Rate	Approval Rate*
21 Feb 2024	Approval of the 75th remuneration limit for directors	Approved	66.7%	100%

Corporate Governance and Communication Committee

Composition

Hyundai E&C has voluntarily established and operates the Corporate Governance and Communication Committee to enhance transparency in large-scale internal transactions, promote ethical management, protect shareholder rights and interests, and evaluate the performance of sustainability and safety and health-related functions. While the committee regulations require at least three directors and that two-thirds be independent directors, Hyundai E&C has strengthened independence and transparency by organizing a four-member committee composed entirely of independent directors,

Role

The Corporate Governance and Communication Committee deliberates and resolves on the following matters: ① Related party transactions stipulated in the Monopoly Regulation and Fair Trade Act and the Commercial Act; (2) Inspection of the implementation of the Fair Trade Compliance Program (CP); 3 Major policies related to ethical management and social contribution; (4) Establishment and revision of ethical principles such as the Code of Ethics, and evaluation of their implementation; (5) Selection of sustainability visions and strategic tasks; ⑥ Matters concerning the protection of shareholder rights and interests; ? Review and approval of major non-financial management issues including Environmental, Social, and Governance (ESG); (8) Performance evaluation of the Chief Safety Officer (CSO),

(As of March 20, 2025, the date of appointment at the ▲ Composition of the Corporate Governance and Communication Committee 75th Annual General Meeting of Shareholders)

Name	Hong Dae-Sik	Kim Jae-Jun	Cho Hye-Kyung	Chung Moon-Ki
Director Classification	Independent Director	Independent Director	Independent Director	Independent Director
Position	Chairperson	Member	Member	Member

▲ Corporate Governance and Communication Committee Operations in 2024

		Approval Status	Attendance Rate	Approval Rate
23 Jan 2024	Report on health and safety performance in the second half of 2023	Report	100%	-
21 Feb 2024	Approval of financial transaction with financial affiliates by contract	Approved	100%	100%
	Approval of self-dealing by directors	Approved	100%	100%
	Establishment of transaction limit with affiliates	Approved	100%	100%
	Approval of ESG result of 2023 and advance plan for 2024 –Establishment of 2024 ESG KPIs and Materiality Assessment	Approved	100%	100%
	Report on the operation and plan of CP	Report	100%	-
	Report on the operation and plan of ISO 37001	Report	100%	-
19 Apr 2024	Approval of financial transaction with financial affiliates by contract	Approved	100%	100%
	Approval of transaction with affiliates	Approved	100%	100%
19 Jul 2024	Approval of financial transaction with financial affiliates by contract	Approved	100%	100%
	Approval of transaction with affiliates	Approved	100%	100%
	Report on the Status and Plan of the Fair Trade Compliance Program (CP) Operation	Report	100%	-
	Publishing sustainability report in 2023 and reporting major contents	Report	100%	-
	Report on health and safety performance in the first half of 2024	Report	100%	-
22 Oct 2024	Approval of financial transaction with financial affiliates by contract	Approved	100%	100%
18 Dec 2024	Approval of transaction with affiliates	Approved	100%	100%
	Approval of donation for Annual Campaign	Approved	100%	100%
	Approval of donation for foundation for industrial safety partnerships	Approved	100%	100%

2025 HYUNDAI E&C Sustainability Report

Corporate Governance

Board of Director

Board Performance Evaluation and Compensation

Performance Evaluation of the Board of Directors

Hyundai E&C conducts a fair evaluation of the Board of Directors each year based on its activities, with the aim of promoting long-term growth and improving corporate governance. The results of this evaluation are reflected in improvements to board operations for the following year and are also used as key management indicators. The evaluation consists of an assessment of the board's roles and responsibilities, efficiency, the performance of the Corporate Governance and Communication Committee, Audit Committee, Compensation Committee, Nominating Committee for Independent Directors, and each director's individual activities. Each director is evaluated on a 5-point scale. In the 2024 evaluation, Hyundai E&C received a score of 4.89 out of 5, and the results were used as a reference for decisions on director reappointment,

In addition, since 2023, Hyundai E&C has implemented a third-party evaluation of the board. This evaluation consists of four categories: the board's roles and responsibilities, structure, operations, and committee activities. It enhances the independence and objectivity of the board evaluation. Hyundai E&C plans to conduct this evaluation every two years to ensure the credibility of board operations and to identify areas for improvement.

Evaluation of the **Board of Directors**



- ▶ Board Roles & Responsibilities
 ▶ Evaluation of committees
- Board Efficiency
- Evaluation of each director
- Roles and Responsibilities

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- Board Operations
- ▶ Board Structure
- Committee Operations, etc.

(Unit: Based on a 5-point scale)

▲ Self-Evaluation of Board Activities in 2024

	Category	Score
	Long-term vision and strategy	4.67
&	Securing independence	4.83
Respon- sibilities	Reviewing financial performance	4.83
	Pursuing overall shareholder interests	5
	Pursuing shareholder long-term profits	4.67
Board	Adequacy of board composition	4.83
Efficiency	No. of meetings and board agenda	5
	Material and material review	4.83
	Adequacy of discussion methods	5
	Adequacy of follow-up measures	5
Corporate	Committee Composition (Expertise)	4.75
Governance	Committee Operations	5
and Commu-	Committee Role	4.75
nication Committee	Committee Activity Report	5

	Category	Score
Audit	Committee Composition (Expertise)	4.75
Committee	Committee Operations	5
	Committee Role	5
	Committee Activity Report	5
Compen-	Committee Composition (Expertise)	5
sation	Committee Operations	4.67
Committee	Committee Role	5
	Strengthening the Role of the Committee	5
Nominating	Committee Composition (Expertise)	5
Committee for	Committee Operations	5
Independent	Committee Role	5
Directors	Strengthening the Role of the Committee	4.5
Self-	Board/Committee attendance rate	5
evaluation of each	Board preparations	5
director	Board expertise and communication	4.83
	Protection of shareholder rights/interests	5
	Supervision of management activities and follow-up management	4.67

Remuneration of the Board of Directors

Hyundai E&C pays board remuneration based on the company's executive salary standards. Compensation for inside directors is determined by comprehensively considering their duties, position, length of service, expertise, and contributions to the company, Bonuses are determined in accordance with performance-based incentive standards, reflecting various factors such as financial performance (including sales and operating profit, which serve as the basis for ROE, ROI, and ROA), industry benchmarks (such as stock price fluctuation rate compared to peers and overseas order share), and the achievement of ESG KPIs.

In contrast, independent directors receive a fixed remuneration and are not provided with separate performance-based compensation linked to business results. Compensation for both inside and independent directors is paid within the remuneration limit approved annually at the general meeting of shareholders, and detailed compensation information is disclosed transparently in the business report. The total remuneration limit approved by the Compensation Committee for 2024 was KRW 5 billion.

▲ Payment of Board Remuneration

Category		Total amount of remu- neration	Average remuneration per person	Number of people
Top Management	Inside Director	2,576	859	3
Employees and independent directors	Independent Director	330	83	4
	Employee	793,511	109	7,147*

* Excluding two inside directors

- Ratio of CEO salary compared to the average salary of all employees (excluding retirement income): 18.45 times (Refer to p.402-407 of the Business Report)

- Ratio of CEO salary compared to the median salary of all employees (excluding retirement income): 21.86 times (median value KRW 92 million)

▲ Board of Directors Remuneration Standards and Payment Details

(As of 2024 Unit: KDW million)

(As of 2024 Unit: KRW million)

		•	(AS OF 2024, UNIT: KRW MIIIION)
Name	Category		Total
Yoon	Earned income	Salary	988 ¹⁾
Young-Joon		Bonus	293 ²⁾
		Other earned income	730 ³⁾
	Retirement income		2,558 ^{4),5)}
	Subtotal		4,569
Hwang	Earned income	Salary	470 ¹⁾
Joon-Ha		Bonus	55 ²⁾
		Other earned income	26 ⁶⁾
	Subtotal		551
	Yoon Young-Joon Hwang	Young-Joon Retirement income Subtotal Hwang Joon-Ha Earned income	Young-Joon Young-Joon Young-Joon Earned income Retirement income Subtotal Hwang Joon-Ha Earned income Salary Bonus Other earned income Bonus Other earned income Other earned income

- 1) Based on Hyundai E&C's internal executive compensation standards, total remuneration including annual salary and allowances is determined by comprehensively considering the executive's duties, position, length of service, expertise, and contributions to the company, and paid in 12 monthly installments,
- 2) Performance-based incentives are provided in accordance with executive incentive standards, reflecting the company's 2024 performance evaluation, which comprehensively considers business results such as sales and operating profit, management performance, contribution evaluations, and internal and external business environments
- 3) Welfare benefits and the portion of retirement pay classified as earned income are provided based on company policies.
- 4) Final retirement pay is calculated by multiplying the executive's length of service by the applicable payment multiplier based on position, as determined under the executive personnel and treatment regulations, using the annual salary set under these regulations
- 5) Of the total retirement pay, KRW 728 million is classified as earned income under the Income Tax Act.
- 6) Welfare benefits are provided in accordance with company policies,

(As of December 31, 2024)

Corporate Governance

Board of Director

Board Performance Evaluation and Compensation

▲ Shareholding Status of Directors

(As of 2024)

Category	Name	Base Salary (KRW million)	Number of Common Shares Held	Value of Shares (KRW million)*	Multiple of Base Salary
(Former) CEO ¹⁾	Yoon Young- Joon	988	5,000²)	127	0.13
Independent Directors	Kim Jae-Jun	83	1,000	25.4	0.31

^{*}Closing stock price per share on December 30, 2024: KRW 25,400

CEO Succession Policy

Establishment and Operation of the Succession Policy

Hyundai E&C Corporate Governance Report 🗵

Hyundai E&C, under the supervision of the Human Resources Division, identifies candidates with strong leadership and professional management capabilities for key executive positions and nurtures them through a step-by-step training program. The company's CEO is appointed as a director through a resolution at the general meeting of shareholders following the evaluation and recommendation of the Board of Directors, and then officially appointed as CEO by resolution of the Board. In the event of the CEO's vacancy, Article 37 of the Articles of Incorporation stipulates that the director designated by the CEO shall act on behalf of the CEO. If no designation has been made, the role is carried out in the order of President, Vice President, Executive Vice President, and Managing Director. If there are multiple individuals at the same rank, the most senior in age shall assume the role.

Key Components of the Succession Policy(Candidate Selection, Management, and Training)

The company defines qualification requirements (Position Profiles) for key executive positions, outlining roles and responsibilities, required experience, and core competencies based on the business environment and current management issues. A diverse pool of candidates is reviewed, including both internal talent and external high-potential individuals. Candidates are comprehensively evaluated for position fit, expertise, leadership, and potential, and then managed as either short-term or long-term successors. To facilitate a smooth succession process, development plans are established based on the strengths and weaknesses of each executive or CEO candidate. The company operates internal and external training programs, provides various roles and growth opportunities, and assesses each candidate's performance and capabilities accordingly.

▲ Training Status of CEO Candidates

Program Name	Training Institution	Number of Participants	
In-Hub Executive Development Program ¹⁾	Internal Training	41	
CEO Training Program ²⁾	External Training	3	

¹⁾ In-Hub: A program aimed at fostering entrepreneurial leadership by enhancing organizational and business innovation capabilities and strengthening adaptability to future changes through the execution of company-wide strategic projects.

Shareholders

Protection of Shareholder Rights

Hyundai E&C makes various efforts to protect shareholder rights. The company has explicitly stated the protection of shareholder rights in its Corporate Governance Charter. To ensure shareholders' voting rights, Hyundai E&C sets a minimum notice period for general meetings and schedules them while avoiding concentration days. It also supports the active exercise of shareholder rights by implementing electronic voting, encouraging proxy voting, and providing English-language disclosures for foreign shareholders. Furthermore, matters that may significantly impact shareholder rights, including amendments to the Articles of Incorporation, mergers, business transfers, and corporate spin-offs, are subject to prior resolution at the general meeting of shareholders.

Category	Shareholder	No. of Shares	Equity Ratio
Major shareholder and affiliated parties	Hyundai Motors	23,327,400	20.95%
	Hyundai Mobis	9,719,750	8.73%
armated parties	Kia	5,831,850	5.24%
Domestic institutional	National Pension Service	8,298,579	7.45%

shareholder and affiliated parties	Hyundai Mobis	9,719,750	8.73%
	Kia	5,831,850	5.24%
Domestic institutional shareholders	National Pension Service	8,298,579	7.45%
	Asset Management Firms, etc.	6,171,439	5.54%
Foreign investors		21,066,953	18.92%
Private investors and others		36,989,794	33.17%
Total		111,355,765	100%

¹⁾ There are no golden shares for government institutions

▲ Shareholder Status¹)

Shareholder Return Policy

Hyundai E&C has been enhancing shareholder value through consistent and regular dividend payments. In 2025, the company became the first in the construction industry to introduce a Total Shareholder Return (TSR)-based shareholder return policy through the CEO Investor Day, setting a target return of over 25%. By strengthening its competitiveness and securing new growth drivers, Hyundai E&C aims to maximize corporate growth and earnings. The remaining portion is allocated to financial expenses and taxes, supporting a performance-linked dividend policy that further enhances shareholder value. Additionally, dividend-related information is disclosed to shareholders via the electronic disclosure system and the company's website.

▲ Status of Dividends (non-consolidated)

Category		Unit	2022	2023	2024
Net income		KRW 100 million	3,466	3,721	1,741
Adjusted net income*		KRW 100 million	3,024	2,665	819
Basic earnings per share(ordinary share)		KRW	3,083	3,310	1,549
Basic earnings per share(preferred share)		KRW	3,133	3,360	1,599
Total dividends		KRW 100 million	675	675	675
Dividend payout ratio	Payout ratio	%	19.5	18.1	38.7
	Adjusted payout ratio	%	22.3	25.3	82.4
Performance Rate Against	: Target	%	100	100	100
Dividend yield ratio	Common share	%	1.7	1.8	1.7
	Preferred share	%	1.2	1.3	1.9
Dividends per share	Common share	KRW	600	600	600
	Preferred share	KRW	650	650	650

^{*}Net Income: Non-recurring Items (Foreign Exchange Gains/Losses)

¹⁾ CEO Yoon Young-Joon retired as of November 17, 2024, and new CEO Lee Han-Woo was appointed as of January 3, 2025 (holding 2,201 shares)

²⁾ CEO Training Program: Executive education courses offered by leading universities such as Seoul National University,

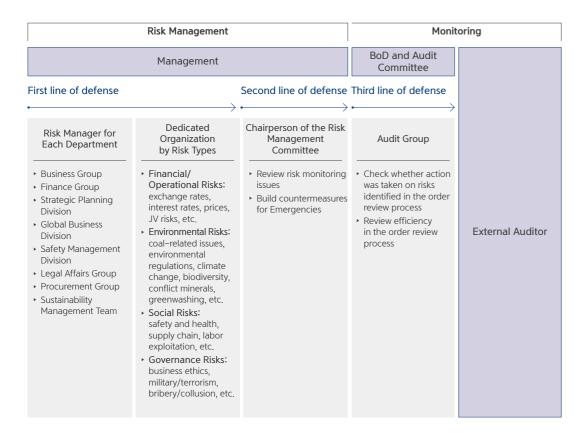
²⁾ Based on the number of common shares

Corporate Governance

Integrated Risk Management

Risk Management Organization

Hyundai E&C effectively controls various risks arising in the course of management through the establishment of a risk management system. The Board of Directors pre-reviews and approves key management and financial/non-financial matters, contributing to the operation of an effective internal control policy. To strengthen risk management, the company established a Risk Management Committee and appointed the top officer in the relevant field as its chairperson. In addition, major nonfinancial risks are managed by the Sustainability Steering Committee under the Corporate Governance and Communication Committee, which regularly reports on progress and future plans, Hong Dae-Sik, Chair of the Corporate Governance and Communication Committee, is a Fair Trade Act expert and actively participates in company-wide risk management, including legal, ethical, and compliance risks. Furthermore, Hyundai E&C has established a risk reporting line from each department to the CEO and the Board of Directors, and the independent Audit Committee monitors the implementation of risk management measures in real time.



Risk Management Process

Hyundai E&C has established an integrated risk management system that spans both financial and non-financial areas to prevent various risks that could hinder sustainable management. Risks are managed on a regular basis, at least twice a year. The company operates a detailed classification system for risk management to thoroughly identify and manage risks that may affect its management goals and strategic direction.

In January 2025, Hyundai E&C reorganized its risk management decision-making system by categorizing risks related to business activities into three phases: the pre-engagement phase (bidding review and approval review) and the execution phase. This restructuring has strengthened on-site risk management capabilities through strategic project control and has contributed to improving profitability and enhancing corporate value. Under the supervision of the Risk Management Committee, the first line of defense—dedicated departments by field—assesses the alignment of projects with strategic objectives based on the company's mid- to long-term portfolio. They also evaluate project execution capabilities. profitability, and ESG-related risks to make strategic decisions.

In the second line of defense, key risks are monitored, and any residual risk issues are reviewed to establish risk mitigation measures. Periodic monitoring and emergency response plans are also in place. Hyundai E&C quantitatively measures risks in both domestic and overseas business activities through risk scoring. The company sets differentiated risk assessment criteria based on region, For overseas projects, a risk score of 90 or higher is classified as high-risk, while a score below 90 is considered manageable. For domestic projects, stricter standards apply, with a score exceeding 80 classified as a high-risk project that requires action. These risk appetite are reflected in the company's internal Standard Operating Procedures (SOP) and are used as the basis for risk monitoring, management, and control.

▲ Risk Assessment Criteria



2025 HYUNDAI E&C Sustainability Report

Corporate Governance

Integrated Risk Management

Risk Classification

Hyundai E&C operates a comprehensive risk classification system that covers financial and non-financial domains. This includes business operations, finance, safety and health, environment, supply chain, human rights, ethics and compliance, information security, and quality. The system is designed to identify and manage risks that could potentially affect the company's strategic direction and business goals. The company uses a Risk Breakdown Structure, or RBS, to conduct integrated analysis across the organization. This analysis evaluates the likelihood of risks occurring, the potential impact they may have, and how frequently they arise. To improve the efficiency and consistency of the risk management process, an IT-based risk management system has been embedded into business operations. The company organizes key risks into three main groups. These are financial risks, project-related risks, and emerging risks. Each group is managed using a tailored process that fits the characteristics of the risk. For risks that may have a significant impact, including those related to safety, the environment, and quality, Hyundai E&C applies advanced management protocols. Safety and environmental risks are addressed across the organization through the HSE framework. Quality risks are managed through the company's quality management system. Hyundai E&C is also in the process of establishing a response system for national-level risks. In addition, the company conducts sensitivity testing and stress analysis to better identify and respond to a wide range of risks.

L: Low M: Medium H: High

Category	Risk Type	Likeli- hood	Impact	Responsible Organization	Management Activity
Finance &	Financial	М	МН	Financial Management Group, Finance & Accounting Team	Financial risk assessment, internal accounting management
Operations	Business	М	МН	Budget Management Group, Business Management Group, Global Support Group	Review of orders, key business risk monitoring, establishment of guidelines on bidding for overseas projects, review of risks by country
Environ- ment Env	Climate Change	МН	М	Environmental Management Team, Sustainability Management Team	Establishment of 2045 Net Zero roadmap, GHG reduction at sites (e.g., renewable energy procurement), risk analysis, raw material price monitoring, contract amount adjustment
	Environmental Pollution	М	МН	Environmental Management Team	Compliance with environmental laws, site inspection, waste management, water stress analysis, biodiversity protection, environmental pollution management (soil remediation, ecofriendly systems, etc.)
	Safety and Health	Н	Н	Safety Management Division	Strengthen safety and health organization and activities (risk assessment, smart safety tech, training), supplier safety management
	Supply Chain	МН	М	Procurement Support Division	Supplier Code of Conduct compliance, sustainability evaluation, counterparty due diligence, ESG education and consulting
Social	Human Rights	МН	МН	Human Resources Operation Team, Business Management Group	Compliance with Human Rights Charter, impact assessment, on-site inspection, grievance handling system
	Quality	МН	МН	Quality Strategy Group	Establishment of a quality management system, prevention of defects, and implementation of quality control measures, including smart quality management systems, quality diagnostics, and training programs.
Gover-	Ethics and Compliance	М	М	Legal Affairs Group, Auditing Group	Compliance with Ethics Charter and Code of Conduct, compliance council, CP program, ISO 37001, internal audit, whistleblower protection, cyber audit, Ethics Committee
nance	Information Security	ML	М	Security Operations Center	Information security management system, asset protection, leakage prevention, vulnerability inspections

Risk Audit

Hyundai E&C identifies key business processes to detect potential fraud factors in workflows and evaluates the associated risks. Based on this assessment, the company establishes internal controls to prevent fraud and monitors whether business operations are carried out in accordance with these controls. Each year, internal controls are established for key areas such as budget management, procurement, fund management, and IT system operations. Among these, risks are monitored based on their importance and accounting impact. Through the Internal Control over Financial Reporting (ICFR) system, responsibilities for controlling and managing company—wide risks are clearly assigned to management, governance bodies, and external auditors. Management is required to report on the operation and implementation status of the ICFR system to the Audit Committee and the Board of Directors. The Audit Committee, in turn, reports the results of its evaluation to the Board. External auditors conduct annual audits of the ICFR system was ubmit their audit opinions to financial authorities. Hyundai E&C discloses these results annually. In 2024, the company received a favorable audit opinion from the external auditor, confirming that the ICFR system was properly operated. In addition, safety and health risks are subject to internal audits through the Corporate Governance and Communication Committee and external verification by third–party institutions such as ISO 45001 and KOSHA MS.

Risk Management Culture

Hyundai E&C fosters a strong company-wide risk management culture by providing risk-specific training on areas such as safety and health, quality, compliance and ethics, security, fair trade, and human rights. These training programs are conducted for the Board of Directors, its committees, and relevant departments to enhance company-wide risk management.

Category	Risk Management Training Program	Target
Environment	Environmental regulatory risks, climate change risks, etc.	All employees
Safety & Health	Safety and health regulatory risks, potential on-site safety issues, etc.	All employees
Quality	Quality management risks, etc.	All employees
Compliance & Ethics	Ethical management, anti-corruption risks, etc.	All employees
Security	Information protection risks, etc.	All employees
Fair Trade	Fair trade risks, etc.	All employees
Human Rights	Non-discrimination, forced/child labor, working conditions, etc.	All employees

Corporate Governance

Integrated Risk Management

Emerging Risks

Category

Geographical Energy sourcing risk due to the outbreak of war

Description

The recent increase in regional conflicts around the world has prolonged the global energy supply crisis. Among them, the war between Russia and Ukraine-major production sites for oil and natural gas—has had a significant impact on energy prices. As the war continues over the long term, many countries are prioritizing energy security in their national policies, which is accelerating the transition to renewable energy.

Impact

As the war between Russia and Ukraine becomes prolonged, the global energy supply crisis is intensifying, driving a surge in global energy prices. Consequently, the prices of oil and natural gas are rising both domestically and internationally, leading to increased prices of other raw materials and products. In particular, Korea's dependence on energy imports has reached 93.8% as of 2024¹⁾, and rising energy prices can directly impact Hyundai E&C's financial status. Due to geopolitical conflicts, logistics disruptions and increased logistics costs are expected to hinder transportation across the value chain, resulting in difficulties in the timely delivery of raw materials and products²⁾. Furthermore, a decline or suspension in raw material production caused by regional disputes poses a threat to the continuity of the supply chain and is considered a potential risk that could impact Hyundai E&C's financial condition.

1) Korea Energy Economics Institute, Monthly Energy Statistics Report, August 2024 2) According to the Korea Maritime Institute's "Global Logistics Local Market Trends" (March 11, 2024), the armed conflict between Israel and Hamas has led companies to choose alternative shipping routes (approximately 9,000 km, requiring an additional 7 to 10 days of transport), resulting in increased freight rates logistics costs, and insurance premiums

Mitigation

Hyundai E&C continues its efforts to mitigate energy price risks through the diversification of energy sources. In 2024, the company implemented a range of ESG-related initiatives, including the establishment of design and construction standards for Building-Integrated Photovoltaics (BIPV)*, support for renewable energy conversion among group affiliates engaged in electricity brokerage businesses, and the digitalization of readymixed concrete delivery invoices to improve the accuracy of carbon emissions calculation, Moving forward, Hyundai E&C aims to enhance its preparedness for energy-related risks by steadily expanding the use of renewable energy sources such as solar and offshore wind power.

* BIPV: Building-Integrated Photovoltaic

Economic

Environmental and human rights risks in the supply chain

In March 2024, the Corporate Sustainability Due Diligence Directive (CSDDD) was granted final approval by the European Council, highlighting the importance of sustainability in the construction industry. As a result, regulations on environmental and human rights due diligence throughout the construction industry's supply chain are expanding. In March 2025, Hyundai E&C announced plans at its CEO Investor Day to expand into advanced marketsincluding Europe, the U.S., and Australia-focusing on high-valueadded, technology-intensive projects with strong market stability. In 2024, Hyundai E&C completed the establishment of branches in Warsaw, Poland and Sofia, Bulgaria, as well as an office in Cernavoda, Romania, where multiple nuclear power plant tenders are expected. In addition, a new branch was opened in Kyiv. Ukraine, with plans for agile response based on developments in the region, aiming to secure a leading position in the large-scale post-war reconstruction market. As Hyundai E&C advances into advanced markets such as Europe, construction companies are increasingly subject to broader responsibilities and obligations, along with growing demands from investors and stakeholders. This is regarded as a potential risk that may affect the financial standing of the construction industry.

The spread of supply chain-related regulations across Europe (Corporate Sustainability Due Diligence Directive, CSDDD), the United States (Uyghur Forced Labor Prevention Act), and Korea (Serious Accident Punishment Act) is emerging as a significant business risk in the construction industry, Hyundai E&C is planning to expand into European markets including Bulgaria and the United Kingdom and is expected to fall under the scope of global supply chain regulations beginning in 2029. To mitigate these risks, it is essential to establish procedures for identifying and managing actual and potential adverse impacts on human rights and the environment within the supply chain, to implement risk identification processes for preventing the use of Uyghur forced labor, and to build a robust safety management system, Failure to meet these requirements could result in regulatory penalties, restrictions on business operations within the relevant jurisdictions, and even the suspension of activities at construction sites. These consequences could ultimately lead to a decline in competitiveness and profitability.

Hyundai E&C expects its suppliers to go beyond legal compliance and adopt best practices in ethics, environment, labor and human rights, safety and health, and management systems to build a sustainable supply chain. To assess supplier compliance, we operate a four-stage Supply Chain ESG Assessment process consisting of screening, on-desk assessment, on-site assessment, and follow-up actions. Improvement tasks are identified through the on-desk and on-site assessments, and each business site establishes and implements its own action plans accordingly. We aim to strengthen the identification process for human rights and environmental risks in overseas supply chains and better prepare for potential risks through more systematic supplier management,

Ethics and Compliance Management

ESRS-G1

SOCIAL

Hyundai E&C aims to become a company trusted by all customers, employees, and suppliers through ethics and compliance-based management. We are committed to responsible customeroriented management, fair and transparent business culture with stakeholders such as suppliers and investors, and establishment of principles for responsible information disclosure. All employees of Hyundai E&C uphold the principles of ethical management to lead a sound business culture in the construction industry and fulfill the company's social responsibilities.

Impacts, Risks, and Opportunities (IRO) Related to Ethics and Compliance Management

Impact











 Unfair trade practices and unethical conduct undermine fair competition in the industry and erode the foundation of business ethics

Hyundai E&C's Response

• Establishment of the Code of Ethics and Conduct, and provision of ethics, compliance, and fair trade training

Risk & Opportunity





- Violations of laws due to unethical or corrupt practices may lead to financial penalties and compensation liabilities
- ► Serious violations may result in business suspension, which could lead to a decline in operating profits

Hyundai E&C's Response

- ► Operation of a Fair Trade Compliance Program
- Acquisition of Anti-Bribery Management System Certification (ISO 37001)

Governance

Role of the Highest Decision-Making Body

APPENDIX

Hyundai E&C's Corporate Governance and Communication Committee is a board-level committee established to promote ethical management and enhance transparency in internal transactions. The committee reviews and approves key matters related to ethical management policies, the fair trade compliance program, and the implementation of ethics initiatives. Through the Corporate Governance and Communication Committee, the Board of Directors deliberate, resolve on policies and agendas related to ethics and compliance, and conduct integrated risk management by monitoring the implementation and improvement of compliance systems such as fair trade and anti-corruption.

Key Roles of the Corporate Governance & Communication Committee

- 1 The related party transaction provided in The Monopoly Regulation and Fair Trade Act_and Commercial Law_
- 2 Checkup on Compliance Program (CP) operation
- 3 Major policies related to the ethical management and social contribution
- 4 Establishment & revision of ethical principles such as the Code of Ethics. and assessment of implementation
- **S** Choice of sustainable vision and strategic tasks
- 6 Protection of shareholders' rights
- 7 Review/approve other non-financial key management issues such as environmental, social, and governance (ESG)
- 8 Performance Evaluation of the Chief Safety and Health Officer

Expertise of the Highest Decision-Making Body on **Ethics and Compliance**

The Corporate Governance and Communication Committee selects its members by considering capabilities and experience in compliance-related areas. The committee's chairperson, Independent Director Hong Dae-Sik, holds a Ph.D. in law and has served as a member of the Fair Trade Commission's Competition Policy Advisory Committee and president of the Korean Competition Law Association. Based on his expertise in fair trade, ethics, and compliance, he contributes to key decision-making processes regarding Hyundai E&C's ethics and compliance management.

Ethics and Compliance Organization

Hyundai E&C has established an ethics and compliance organization comprising the Board of Directors, the Corporate Governance and Communication Committee, compliance officer, and compliance personnel to raise awareness among employees. In accordance with the Board of Directors' regulations, the Corporate Governance and Communication Committee appoints a compliance officer to oversee company-wide compliance and strengthen the compliance system. To reinforce the ethics and compliance system, in 2023, the Board of Directors appointed an attorney/former prosecutor (Korea) as the compliance officer. The Compliance Team supports the compliance officer and is dedicated to enhancing compliance awareness among employees.

Hyundai E&C appointed compliance managers to internal business divisions and compliance leaders to each (headquarters), project sites, and branches to establish a system that enables prompt cascading of ethics and compliancerelated laws/policies and provide training on the requirements of the company's internal compliance policies and systems. In addition, Hyundai E&C holds monthly compliance council meetings attended by compliance managers and leaders to discuss key ethics and compliance issues. Compliance leaders also disseminate important matters within their respective organizations to effectively enhance the company's ethics and compliance capabilities. As of 2024, there are 14 compliance managers and 391 compliance leaders in place.



2025 HYUNDAI E&C Sustainability Report

Ethics and Compliance Management

Impact, Risk and Opportunity Management

Ethics Policy and Corporate Culture

Ethics and Compliance Policy

As a global construction & engineering company, Hyundai E&C strives to create highest value through harmonious and sustainable growth with its stakeholders. As ethical management is the foundation for such effort, Hyundai E&C has revised and implemented its Ethics Charter and Code of Conduct, to become a trusted partner to various stakeholders and enhance customer value based on international declarations and agreements such as the Universal Declaration of Human Rights, the UN Convention against Corruption, and the OECD Anti-Bribery Convention.

▲ Five Guiding Principles at Hyundai E&C

Moral Pride In HDFC

Hyundai E&C in which All of Customers, Employees, and Suppliers Take Pride



We shall perform our duties based on clear and transparent standards, and do our utmost to fulfill our responsibilities with integrity.



We shall compete fairly in the market and conduct business ethically with parties that engage in contractual relationships with us.



We shall provide safe products, exceptional services and accurate information, and we rigorously protect personal information to increase customer value.



We shall respect our members as independent individuals, and to this end, we provide fair working conditions and safe working environments.



We shall contribute to sustainable development by fulfilling our social & environmental responsibilities as a member of society so that diverse stakeholders can prosper together in harmony.

Anti-Corruption and Anti-Bribery Policy

Hyundai E&C Anti-corruption Compliance Policy 7

Hyundai E&C has established anti-corruption compliance regulation to prevent risks related to corruption and bribery. The regulation is reviewed and approved by the company's highest decision-making authority responsible for ethical and compliance management, including compliance with the Ethics Charter and Code of Conduct and the operation of compliance councils, Major policies related to ethical management are deliberated and resolved by the Corporate Governance and Communication Committee. The regulations require strict compliance with laws related to anti-corruption and bribery, strictly prohibit any form of direct or indirect political donations, and provide clear decision-making standards for employees. These include a self-assessment checklist/quidelines for gifts and regulation on charitable contributions, helping employees make proper ethical and compliance-related decisions.

Fair Trade Compliance Program

Hyundai E&C has operated the Fair Trade Compliance Program (CP, Compliance Program) since 2011 to promote transparent and fair trade. Operation performance and plans for the Fair Trade Compliance Program are regularly reported to the Board of Directors and we conducted the report once each in the first and second half of 2024. Hyundai E&C received an AA grade in the CP evaluation by the Korea Fair Trade Mediation Agency. In 2023, we appointed a new CP officer with full authority delegated by the Board of Directors to be in charge of CP operations. Monthly compliance council meetings are held to share internal and external fair trade issues. We also conduct ongoing CP inspections for integrated risk management, including prior reviews of new internal transactions, checks on potential violations of the Labeling and Advertising Act at new sales sites, and operation of subcontract dispute mediation councils.

▲ 8 Key Factors in the Compliance Program

Prepare and execute standards and procedures for CP	5 Execute compliance training for employees
2 Announce the will and support of CEO for CP	6 Establish internal monitoring system including monitoring and inspection of compliance
Appoint manager responsible for compliance	7 Impose restrictions on employees who violated the Fair Trade Act
4 Create and use compliance manual	8 Evaluate effectiveness and prepare improvement

Risk Assessment on Unfair Trade and Unfair Competition

Hyundai E&C has established criteria for assessing fair trade-related risks and specified risk assessment procedures in the CP (Compliance Program) operations manual. The process begins with identifying potential risks, analyzing their causes and potential impact on the company, establishing and implementing control measures. Then, departments conduct selfmonitoring. To support this process, Hyundai E&C provides annual training on fair trade laws and CP operational guidelines. To evaluate effectiveness of the training, assessments are conducted for all employees and team leaders. The average score rose from 82 in 2023 to 87.3 in 2024, showing improved awareness of fair trade regulations, CP operational rules, and a culture of compliance. In 2025, Hyundai E&C plans to strengthen promotion of CP operations and the compliance manual through various media channels.

Ethics and Compliance Management

Impact, Risk and Opportunity Management

Ethics and Compliance Training

Fair Trade Training for Employees

To raise awareness of fair trade compliance, Hyundai E&C provides annual training on fair trade compliance for all employees, In addition, departments related to key areas of fair trade are selected to receive customized, specialized training. The training covers topics such as unfair cartel actions, internal trade, and labeling and advertising. Comprehension evaluations were conducted for all participants, following the department-specific training sessions, and employees scored an average score of 91.42, representing a 14.64 increase compared to the previous year. Hyundai E&C will continue to evaluate the effectiveness of fair trade education and identify areas for improvement to further enhance employee understanding.

▲ 2024 Compliance and Fair Trade Training Overview

Training Program	Details	Audience	Trainees
Anti-Corruption (Ethics) Training	Domestic and International Anti-Bribery Laws	All employees	6,313
Training on counterpart compliance due diligence	Compliance due diligence regulations, scope of counterparties etc.	Bidding departments	22
Internal Auditor Training	Structure ISO 37001 and anti-bribery	Management support	15
ISO 37001 Training	management system	departments	
Compliance Training on Construction Related Laws	Subcontracting Act, prevention of technology misappropriation	All employees	10,044*
Transparency and Ethics Training	Ethical standards and management	Suppliers	780
Cartel Prevention Training	Information exchange, etc.	Sales and estimation departments	260
Unfair Internal Trade Training	Wrongful support, regulations on private profit-taking, etc.	Procurement/Finance/ Support departments	167
Labeling/Advertising & Terms Regulation Training	Case study of wrongful labeling and advertisements	Marketing department	49
Combination of Enterprises and Consolidation Training	Suppression of economic power concentration, etc.	Sales department	96
CP Training – Executives		Executives	31
CP Training – Managers	Fair trade regulations that the company is mandated to comply with	HQ and site managers	712
CP Training – Employees	manaded to comply with	HQ and all employees on site	4,493
General Subcontracting Training	Mandated and prohibited items for prime contractor under the Subcontracting Act, cautions to take, etc.	Sites and procurement departments	599
Technology Misappropriation	Technical review requirements, etc.	Design and estimation departments	3,473
New Joiner Training	Subcontracting Act, prohibition of unfair special agreements, and prohibition of wrongful international trade and collusion, etc.	New employees	144

^{*} The number of participants includes redundant counts

Supplier Ethics Training

Hyundai E&C conducts the Supplier Transparency and Ethics Training each year under the leadership of the Procurement Division to internalize compliance awareness among suppliers, In 2024, a total of 780 companies participated in the training. The program covers a wide range of topics, including recently revised laws, government policy directions, and examples of violations related to ethics and transparency. In addition, Hyundai E&C collects written pledges from suppliers to comply with the Code of Ethics, as part of our continued efforts to foster a transparent and fair trade culture.

Mechanism for Handling Ethical Violations

Whistleblower Channel

Hyundai E&C Cyber Audit Office 🗷

2025 HYUNDAI E&C Sustainability Report

Hyundai E&C's Cyber Audit Office receives real-time reports regarding money and entertainment, abuse of authority, unfair trade practices, preferential treatment to specific vendors, embezzlement or theft of company funds, internal information leakage, and other violations of the Code of Ethics and transparently handles them. Reports are primarily accepted under real names in a confidential manner to ensure accurate fact-finding and effective incident response; however, an anonymous reporting option is also provided. To improve accessibility for whistleblowers, Hyundai E&C discloses its whistleblower protection policy on the official website and actively trains employees by providing guidance on how to use the "Cyber Audit Office" reporting channel and other related information.

▲ Investigation Procedure for Ethical Violations

Review of Case Detai Investigation **Investigation Results** Appeal

When a whistleblowing report is received, the company first verifies the receipt of the case

The incident is reviewed to determine whether a full investigation is necessary

If a full investigation is deemed necessary, one of the following procedures is selected and carried out:

- (a) Internal Investigation: The case is investigated by company management, the Audit Office, or the Legal Department
- (b) External Investigation: The case is entrusted to qualified external experts, such as accounting or law firms

Notification of investigation results to employees (if applicable)

If an employee is dissatisfied with the investigation results or the handling process, they may file an objection separately and, with justifiable reasons, request a reinvestigation.

Whistleblowing Policy and Procedure

Hyundai E&C Whistleblowing Policy and Procedure 7

Hyundai E&C has enacted clear policies to protect whistleblowers who report violations of the company's ethics and compliance policies and regulations, while fully complying with the relevant laws in each country where we operate. In accordance with the whistleblower protection policy, the person in charge of handling internal reports is explicitly designated as either the Head of the Legal Department or the Head of the Audit Office. This internal reporting system applies to all employees regardless of employment type, and guarantees whistleblowers their fundamental human rights, including the presumption of innocence, access to effective remedies, the right to a fair trial, and the right to defense. The policy also includes provisions to protect anonymity, disadvantages such as retaliation, and penalization to any actions that hinder the whistleblower's right to raise concerns. In particular, Hyundai E&C enforces a zero-tolerance policy in the event of any retaliation against whistleblowers.

Ethics and Compliance Management

Impact, Risk and Opportunity Management

Establishment, Development, Promotion, and Evaluation of Ethics and **Compliance Management Culture**

Vision and Direction for Ethics and Compliance Management

Hyundai E&C declared its commitment to fulfilling corporate social responsibility by introducing ethical management in 2004. Since then, the company has worked to institutionalize and implement ethical practices, embedding ethical management as a core part of its corporate culture.

Direction of Implementation

Becoming a transparent and ethical company on a global scale

- Fulfillment of Customer Responsibility Management
- Establish a fair and transparent transaction culture with stakeholders such as suppliers and investors
- Establish and implement principles for disclosing information on the company's negative or controversial issues

Detailed Action Plans

- · Build infrastructure for ethical management
- ► Enhance ethical awareness, such as the win-win cooperation system

▲ Ethics Management Concepts and Polices

Relationship with Stakeholders

- ▶ Build customer trust
- Maximize shareholder value
- Respect employees and Promote equality

Fair Competition in the market economy

- Prohibit any form of bribery
- eject any form of cartel activities
- Pursue mutual growth with SMEs

Corporate Social Responsibilities

- Comply with applicable laws
- Contribute to social development and local community
- Protect the environment by eco-friendly business

Ethical Practice in doing Business

- Do not accept any improper payments
- Protect company property
- ► Respect social norm
- Make better working environment
- Prevention of Insider Trading

Ethics and Compliance Performance Evaluation

Hyundai E&C incorporates ethics and compliance-related items into employee performance evaluations, which are conducted annually. These evaluations consider whether employees have committed serious ethical violations such as bribery, solicitation, or insider trading. The results are linked to the company's compensation system, and employees found to have engaged in significant ethical misconduct are subject to disciplinary actions, including dismissal, suspension, or salary reduction.

Disciplinary Regulations for Violations of Ethics and Compliance Management

In accordance with Article 132 (Grounds for Disciplinary Action) of Hyundai E&C's Employment Regulations, violations of ethics and compliance-related codes are subject to immediate action based on a zero-tolerance policy. Such violations are managed in connection with the company's disciplinary and compensation systems, and offenders may be subject to disciplinary actions such as dismissal, suspension, or salary reduction based on the internal disciplinary committee regulations.

Management of Supplier Relationships and Supply Chain Impact

Counterparty Compliance Due Diligence

Hyundai E&C revised the Counterparty Due Diligence Guidelines in 2021 to identify and manage potential legal risks inherent in domestic and international counterparties, and began implementing the revised due diligence system in January 2022. Each contracting officers can assess potential legal risks of counterparties before entering into agreements based on these quidelines. As the first step in the compliance due diligence process, Hyundai E&C sends a due diligence questionnaire to counterparties and determines whether any legal risks exist based on the responses and supporting evidence provided. If the counterparty is assessed as low-risk, the contract may proceed, and standard compliance clauses must be included in the contract. The Compliance Organization is responsible for maintaining and preserving due diligence records and conducting due diligence monitoring. In 2024. Hyundai E&C conducted compliance due diligence on 1,780 companies. In principle, contracts are not concluded with counterparties identified as high-risk. If necessary, the Compliance Team conducts additional due diligence on high-risk counterparties to assess possible risk mitigation measures.

Consideration of Social and Environmental Criteria in the Selection of Suppliers

Before conducting written assessments or on-site due diligence, Hyundai E&C provides suppliers with a grace period for practical improvements. Suppliers that fail to meet the minimum ESG requirements are excluded at the contract stage. Instead, suppliers with a higher level of ESG management are prioritized, with the aim of establishing sustainable partnerships. Additionally, Hyundai E&C provides regular training programs and support to help suppliers comply with and improve their ESG standards, while enhancing ESG management capabilities. A continuous monitoring and feedback system is also in place to promote ESG implementation by suppliers. Through these efforts, Hyundai E&C strives to achieve shared growth with its suppliers, accelerate the adoption of ESG practices, and contribute to building a sustainable construction ecosystem.

Policy to prevent late payments

Hyundai E&C is committed to establishing a fair competition environment by publishing a Fair Trade Compliance Manual to provide clear guidelines for fair and transparent transactions with various stakeholders, including suppliers. The manual outlines guidelines for compliance with fair trade-related laws, such as unfair group actions, unfair internal trade, corporate group regulations, business combinations, unfair subcontracting practices, and labeling and advertising regulations. Particularly, when engaging with SMEs and mid-sized enterprises, Hyundai E&C applies policies such as mandatory advance payments, obligations to prevent delayed payments for subcontracting, and the subcontract payment indexation system, In 2024, Hyundai E&C executed a total of 31,973 payments, all made in accordance with standard payment terms. The average payment period from the contractual or legally defined due date to actual payment was 10.2 days, and there were no lawsuits filed due to payment delays.

Ethics and Compliance Management

Impact, Risk and Opportunity Management

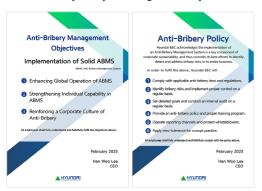
Prevention and Detection of Corruption and Bribery

Ethics and Compliance Policy and System

Hyundai E&C Anti-corruption Policy 🛭

Hyundai E&C has been effectively operating its Anti-Bribery Management System based on ISO 37001 certification, and in 2024, took further steps to internalize the system across the company. The ISO 37001 manual and management review report were submitted to the Board of Directors, and each business unit, team, and department established specific anti-bribery objectives. The company also collected integrity pacts from site managers of partner companies. The system encompasses various structures designed to implement and monitor ethical and compliant business practices company-wide. In particular, Hyundai E&C verifies company-wide implementation of ethics and compliance management through internal compliance council meetings and operates a two-track response system led by the Compliance Team and Audit Office to respond effectively to compliance issues. To promote a safe environment for employees to raise concerns, the company has also established internal consultation and whistleblowing processes. Hyundai E&C continues to operate its Anti-Bribery Management System in line with global standards and undergoes annual audits by independent third-party certification bodies. Since obtaining ISO 37001 certification in 2021, the company successfully completed recertification in 2024 and is scheduled for a follow-up audit in 2025.

▲ Anti-Bribery Policy & Management Objectives



▲ ISO 37001 Certification



Certification Standard: ISO 37001 Certification Body: LRQA Scope of Certification: Entire business operations and support functions Validity Period: 2027,11,7

Activities to Prevent Corruption and Bribery for Partner Companies

Since November 2022, Hyundai E&C has been requesting site agents of all partner companies to submit an "Integrity Pact" that includes commitments to anti-corruption and compliance regulations, in order to raise awareness of ethics and compliance at each site and establish a fair corporate culture. In 2024, a total of 8,327 integrity pacts were submitted. Additionally, to reinforce compliance obligations throughout the entire construction process of all projects carried out by the company, Hyundai E&C has incorporated standard compliance clauses into its standard contract agreements. Hyundai E&C will continue our efforts to promote a culture of compliance across all partner companies.

Anti-Corruption and Bribery Prevention Training for Employees

Hyundai E&C operates a range of systems and training programs to strengthen employees' anti-corruption capabilities. To spread an anti-corruption culture. Hyundai E&C conducts annual company-wide training on domestic and international anti-corruption laws, and our Anti-Bribery Management System and policies, In 2024, a total of 6,313 employees completed this training. We also offer tailored training programs based on employees' roles and job functions. To raise awareness of local anti-corruption laws and corruption risks in overseas countries where major business projects are located, we provide "Anti-Corruption Training for Key Overseas Countries" for employees at headquarters, branches, and project sites. Starting with Saudi Arabia in 2022, the training was expanded to Asia and Latin America in 2023. In 2024, we began preparations for training in Indonesia and Panama, and in 2025, we plan to deliver training in Saudi Arabia, Indonesia, and Panama,

Anti-Corruption and Bribery Prevention Training for High-Risk Departments

Hyundai E&C operates specialized training programs for departments with higher risks of corruption and bribery. In 2024, we conducted a variety of anti-corruption trainings targeting departments such as the Procurement Division, Finance Division, Strategic Planning Business Division, and Sales & Marketing departments, which are considered to have relatively higher anticorruption risks. Each department were present in the training by developing and implementing content tailored to their specific needs, including topics such as the Fair Trade Act, Subcontracting Act, industrial security, and technology protection. Hyundai E&C will continue to conduct focused training programs to prevent corruption and bribery risks.

CASE

In 2021, Hyundai E&C was placed under observation (close monitoring) by the Council on Ethics of Norges Bank Investment Management due to issues related to corruption and bribery. Since then, the company has actively implemented a wide range of corrective and risk mitigation measures, including strengthening its anti-corruption and bribery management system in line with international standards, a CEO declaration of zero-tolerance, adoption and internalization of ISO 37001, enhanced third-party due diligence for suppliers and clients, ESG risk reviews of construction projects, specialized anti-corruption training, and expanded stakeholder engagement. As a result, Hyundai E&C's sustainability improvement initiatives were recognized, and in 2024, following a reassessment by the Council on Ethics, the company was excluded from the observation list.

Ethics and Compliance Management

Metrics and Targets

Metrics

Anti-Corruption

In 2024, Hyundai E&C reported the operational status and future plans of its Fair Trade Compliance Program to the Board of Directors and carried out internal auditor training and internal audits to further internalize its anti-bribery management system. The company has implemented a variety of systems and training programs aimed at enhancing employees' anticorruption capabilities and strengthening ethics and compliance awareness. Every year, Hyundai E&C conducts tailored ethics and compliance training by department, business unit, position, and country, thereby improving employees' understanding of both domestic and international anti-corruption laws and the company's anti-bribery management system and policies.

▲ Reports to the Cyber Audit Office

Category	Unit	2022	2023	2024
No. of reports	No. of Cases	151	178	228
No. of cases proven to be true	No. of Cases	64	46	16
No. of cases proven to be false	No. of Cases	87	132	212

▲ 2024 Ethics Violation Cases*

Category	Unit	2024
Total Ethics violation Cases	No. of Cases	19
Corruption or Bribery (Acceptance of Hospitality/Gifts)	No. of Cases	14
Discrimination or Harassment	No. of Cases	5
Violation of Information Security	No. of Cases	0
Conflicts of Interest	No. of Cases	0
Money Laundering or Internal Trade	No. of Cases	0
Other	No. of Cases	0

^{*} Based on voting by Committee for Disciplinary Action

Compliance with Fair Trade Laws and Regulations

Hyundai E&C is fully committed to complying with all fair trade regulations and requires all employees to sign a pledge to practice fair trade. In 2024, the company achieved zero antitrust fines, and in 2025, it aims to maintain zero violations of the Fair Trade Act, including warnings, corrective orders, fines, and disclosure violations.

▲ Payment of Anti-trust Penalties

Category	Units	2022	2023	2024
Total penalties	KRW million	0	0	0
Ratio of revenues	%	0	0	0

KPIs on Fair Trade

Hyundai E&C conducts annual evaluations of fair trade KPIs to strengthen its compliance management system. The evaluation covers key items such as the CEO's declaration of commitment to voluntary compliance, revision and distribution of compliance guidelines, implementation of compliance training, prior review of private contracts related to internal transactions, reporting of compliance plans and performance to the Board of Directors, and disclosure inspections by the Fair Trade Commission. Furthermore, when any unlawful activities are identified, Hyundai E&C promptly implement disciplinary measures and actions to prevent recurrence. We also evaluate the effectiveness of the internal control system after its implementation and continuously strive to mitigate fair trade risks.

▲ Political Support Funding (Contributions and other spending)

Category	Units	2021	2022	2023	2024
Lobbying, interest representation or similar	KRW million	0	0	0	0
Local, regional, or national campaigns/ organizations/candidates	KRW million	0	0	0	0
Trade associations or tax exempt-groups	KRW million	1,746	2,551	2,129	2,434
Other (spending related to ballot measures to referendums, etc.)	KRW million	0	0	0	0

Targets

Hyundai E&C has set and is implementing three management goals with the aim of operating anti-bribery management at a global level. We recognize that enhancing global operations of anti-bribery management system, strengthening individual capability in anti-bribery, and reinforcing a corporate culture of anti-bribery are key components of effective anti-bribery management. Based on this understanding, we are committed to identifying, detecting, and preventing bribery risks across all business operations.

▲ Anti-Bribery Management Objectives



▲ Fair Trade Compliance Management Objectives



Information Security

In the construction industry, IoT technology is increasingly being integrated with worksites to enhance efficiency and productivity. As a leader in smart construction technology innovation, Hyundai E&C leverages information technology across all stages of the construction process—including design, construction, safety, and maintenance. To prevent cyber threats associated with these technologies, we established an information security management system across all business sites and conducted various cybersecurity activities, including vulnerability assessments, penetration testing, and third-party certification of its management systems.

Impacts, Risks, and Opportunities (IRO) Related to Information Security

Impact











Actual

▶ Potential Infringement of Customer-Employee Rights due to Leakage of Personal or Internal Information (e.g. Privacy)

Hyundai E&C's Response

- ► Operation of a Security Operations Center
- ► Information security training for employees

Risk & Opportunity





- ► Increased Regulatory Compliance Costs Due to Strengthened Information Security Regulations (e.g., Enhanced Security Systems)
- Financial penalties and compensation in the event of a breach of personal or internal information

Hyundai E&C's Response

- ▶ Obtained ISO 27001 certification for the information security management system
- ► Conducted information security assessments (e.g., vulnerability assessments)

Governance

Board of Directors

APPENDIX

The highest decision-making body for information security at Hyundai E&C is the Corporate Governance and Communication Committee, which is responsible for reviewing and approving key agendas related to information security. The committee is chaired by Independent Director Hong Dae-Sik, who previously served as a non-standing member of the Personal Information Protection Commission, Leveraging his extensive experience and expertise in the field, he plays a substantial role in making informed decisions on information security

Information Security Governance Structure

Hyundai E&C has established a secure information protection environment through a systematic approach to information security. The company appointed the head of the Security Management Center as the CISO (Chief Information Security Officer), who oversees all information security matters. This structure helps strengthen accountability and expertise. Under the CISO are division security managers, administrative security staff, technical security staff, and physical security staff, who manage various specialized areas of security. Additionally, division security officers and staff are assigned under each division manager to maintain close coordination with field operations. Key information security agendas are reported to the Corporate Governance and Communication Committee under the Board of Directors, establishing a company-wide information security response system.

▲ Information Security Organization



2025 HYUNDAI E&C Sustainability Report

Information Security

Impact, Risk and Opportunity Management

Information Security Management

Information Security Management System

Based on regulations related to trade secret protection, industrial secret protection, and the personal information protection, Hyundai E&C operates an internal information security policy and management system and strictly complies with various domestic and international security-related laws and regulations. To this end. Hyundai E&C continuously monitors the latest trends in information security and regularly update internal policies to ensure that all employees comply with the security quidelines. These policies apply to all types and forms of assets owned or held by the company. In particular, the company enforces its personal information processing policy and deals related grievances promptly and accurately to protect personal information.

Information Security Policy

Hyundai E&C aims to continuously improve its information security systems through the implementation of its information security policy, with a focus on ensuring data integrity and protection. The company has established a system for continuously monitoring and promptly responding to information security threats. To clearly define individual responsibilities regarding information security, all employees are required to sign a individual information security pledge, reinforcing the culture for internal security. In addition, suppliers are also required to sign a security pledge that includes specific security information requirements, that contribute to the enhancement of security levels across the entire supply chain. This policy applies to all types and forms of assets owned or held by the company, as well as all stakeholders, including affiliates and external parties. ensuring a thorough approach to information security.

Information Security System

Hyundai E&C ensures the stable management of its information security systems and processes by continuously updating internal information security regulations and policies in response to internal and external environment changes. In addition, Hyundai E&C has obtained and annually renews ISO 27001, a globally recognized certification for information security, across all business operations and support functions to ensure the reliability of the company's information security management

▲ ISO 27001 Certification



Certification Standard: ISO 27001:2022

Certification Body: BSI

Scope of Certification: Entire business operations and support functions

Validity Period: 2028,06,28

Information Security Inspection Activities

Strengthening Information Security Inspection

Hyundai E&C conducts security inspections to eliminate internal and external risks and fundamental vulnerabilities. Specific measures include establishing and revising information security policy, inspecting security source codes, developing and operating security system, and preparing a manual for incident response. Company-wide security inspections are carried out to prevent incidents and strengthen the preemptive response system. Through these efforts, the company secures the confidentiality, integrity, and availability of information against security threats, protecting the company's information assets, and contributing to enhanced security levels.



Inspection of Information Security Vulnerabilities

Leakage of personal information collected, handled, and stored by a company during its business operations can directly result in the infringement of human rights of stakeholders, such as customers and employees. Hyundai E&C regularly conducts mock hacking tests on operation systems and infrastructure inspections based on the Group's security guidelines. In 2024, the company conducted regular vulnerability assessments through mock hacking on 1,568 items, on 41 systems. The company identified 134 vulnerabilities—accounting for 8.5% of the total—which were subsequently addressed through improvement measures.

Hyundai E&C also performs internal security inspections and audits to review its information security management system. The company internally reviews and updates information security policies annually and regularly carries out clean-desk inspections to verify the protection and management status of critical assets. Results of these internal inspections and audits are reviewed at the Security Committee, which serves as a platform for ongoing system improvements and enhancements.

▲ Inspection of Information Security Vulnerabilities in 2024

Category	Vulnerabilities (cases)	Ratio(%)	Details
Risk Assessment	1,568	100	Items to inspect in simulation training based on the Group's security guide
Risk Identification	134	8.5	Vulnerability in encryption algorithm, etc.
Risk Measure	134	100	Applying stronger encryption algorithms, modifying system error pages, etc.

2025 HYUNDAI E&C Sustainability Report

Information Security

Impact, Risk and Opportunity Management

Information Security Inspection Activities

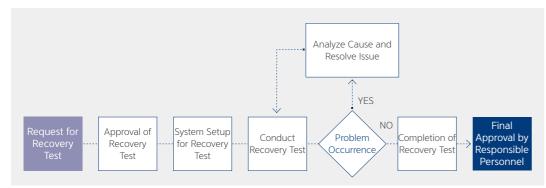
Reporting Process

Hyundai E&C has established a real-time reporting process for information security. To enable prompt reporting of information security incidents, such as suspicious emails during work, an immediate reporting system has been implemented. When suspicious activity is detected, employees are required to submit a security incident report via the Security Portal System or directly contact the Security Operations Center. Additionally, dedicated security teams to share warning signs of information leakage through various channels such as the intranet, website, email, SMS, and phone have been established within each organization as a monitoring system.

Information Security-Related Business Continuity Plan

Hyundai E&C assesses the potential impact and severity of business disruptions caused by security incidents and has established systematic response procedures and rapid recovery strategies to ensure core functions and operations continue even during such incidents. In the event of unexpected disruptions, incidents are handled in accordance with predefined procedures, with priority placed on the rapid recovery of data and services. This approach helps protect the company's information assets, minimize service downtime, and ensure business continuity. Furthermore, by reinforcing effective crisis response capabilities through these procedures, Hyundai E&C aims to reduce potential losses and maintain stable operations even under unforeseen security threats.

▲ Backup Data Recovery Test Process



Security Operations Center

Hyundai E&C has established a reinforced cybersecurity system centered around its Security Operations Center. The center monitors threats in real time to detect malicious code intrusions and cyberattacks, and operates a prompt response system to address identified risks. Through this system, the Security Operations Center takes immediate action against potential security breaches to prevent further damage and actively responds to increasingly intelligent and sophisticated cybersecurity threats.

Malicious Mail Response and Security System

Hyundai E&C conducts guarterly simulation training on malicious emails to prevent the infiltration and infection of malicious code. These trainings raise employee awareness of malicious email threats and strengthen their response capabilities in realworld situations. In addition, the company has established various security systems to enhance endpoint security*, including blocking harmful websites and spam emails, controlling network access, implementing document security protocols, and applying media control measures. Furthermore, source code reviews are conducted from the development stage to ensure a secure environment from the outset.

* Control leakage of confidential or personal information from terminals, including PCs, tablets, mobile, servers, etc.

▲ Overview of Malicious Email Simulation Training

Purpose	Participants
To prevent leakage and damage of company information due to infection by a malicious code	All employees



Information Security

Impact, Risk and Opportunity Management

Raising Security Awareness

Security Training and Guidance on Security Rules

Hyundai E&C provides additional security training and guidance to newly appointed site managers, security officers, and new joiners. In addition, the company enhances employees' security awareness in various ways, such as informing them on the latest information on security threats and conducting security campaigns. Daily internal broadcasts on Clean Desk practices and security rules help internalize day-to-day security compliance throughout the organization.

▲ Security Training in 2024

Category	Details	Audience	Trainees
New joiner security training	Training on the company's security regulations and information security	Interns, new employees	556
Privacy protection training	Statutory training on the personal information protection act	Personal information handlers	7,037
Security officer and staff training	Role of security manager, security violation cases, response to malicious codes, caution for social media usage, security principles for working from home, personal information protection act	HQ employees	1,946
Security training for promoted employees	Security awareness required of middle managers, security policies	Promoted employees	64
Security training for on-site vendors	Case study of security violations by employee or on-site vendor	On-site vendors	35
Security training for Security Day	Raising security awareness and preventing information leakage from the company	Employees	8,094

▲ Guide by Position in 2024

Category	Training Details	Trainees
Newly appointed site managers (security officer)	Role of security officer, security policies, checklist, best/poor practices	73
Security managers (newly appointed)	Role of security manager, Security Day activities, document management, inspections	597
New joiners	Security importance, PC security, security rules, personal information protection, etc	385

Information Security Pledge and Security Day

Hyundai E&C requires all employees to sign the information security pledge annually to ensure active participation in information security with a strong sense of responsibility. In addition, Hyundai E&C designates "Security Day" every month to conduct company-wide security inspections and training. Through these activities, Hyundai E&C continuously strengthens its preventive and proactive response system to minimize the risk of security incidents.

Metrics and Targets

Information Security Targets

Hyundai E&C is establishing a culture of information security and driving the future of sustainable business through fundamental security activities to strengthen competitiveness as a global construction leader and earn the trust of customers. By providing training for personal information handlers and inspecting the implementation of internal control plans, we have maintained zero cases of personal information leakage. Moving forward, Hyundai E&C will continue to uphold its strong performance of zero information leakage and infringement cases and will strive to strengthen its proactive response capabilities to create a safe information security environment.

Number of Information Security Incidents in 2024

O Case

Number of Customer Privacy Breach Cases in 2024

0 Case



Information Security Investment

Hyundai E&C is designated as a mandatory disclosure entity for information security and publicly discloses relevant data through the Information Security Disclosure Portal, This includes information on investment in information security, deployment of specialized personnel, external certifications, and inspections. According to the 2023 disclosure, investment in the information security sector amounted to KRW 3,483 million, accounting for 9.2% of the company's total IT investment, In 2024, information security investment increased to KRW 4,209 million, representing 11.1% of total IT investment, Hyundai E&C continues to expand its annual investment in information security.

Category	Unit	2022	2023	2024
Information Technology Investment Amount	KRW million	29,996	37,910	37,761
Information Security Investment Amount	KRW million	2,962	3,483	4,209
Ratio of Information Security Investment to Total Information Technology Investment	%	9.9	9.2	11,1



ESG DATA

Economic

Financial Statement (Consolidated Basis)	Unit	2023	2024
Business performance			
Sales	KRW Million	29,651,357	32,670,268
Cost of sales	KRW Million	27,948,549	32,887,201
Gross profit	KRW Million	1,702,808	-216,933
Selling and administrative expenses	KRW Million	917,378	1,046,487
Operating income	KRW Million	785,430	-1,263,420
Financial income	KRW Million	153,406	188,082
Other non-operating income	KRW Million	5,989	84,046
Income before income tax expenses	KRW Million	939,545	985,717
Income tax expenses (income)	KRW Million	285,264	-219,496
Net income	KRW Million	654,281	-766,221
Financial position			
Current assets	KRW Million	18,613,430	21,100,663
Non-current assets	KRW Million	5,101,065	5,904,722
Total assets	KRW Million	23,714,495	27,005,385
Current liabilities	KRW Million	10,356,647	14,663,775
Non-current liabilities	KRW Million	2,902,333	2,672,197
Total liabilities	KRW Million	13,258,980	17,335,972
Total shareholders' equity	KRW Million	10,455,515	9,669,413
Cash flows			
Cash flow from operating activities	KRW Million	-714,716	-118,800
Cash flow from investing activities	KRW Million	562,566	211,699
Cash flow from financing activities	KRW Million	365,989	733,741
Cash and cash equivalents at beginning of year	KRW Million	3,973,897	4,205,665
Case and cash equivalents at end of year	KRW Million	4,205,665	5,130,372

Financial Statement (Separate Basis)	Unit	2023	2024
Business performance			
Sales	KRW Million	15,778,844	16,730,103
Cost of sales	KRW Million	14,927,998	16,381,275
Gross profit	KRW Million	850,846	348,828
Selling and administrative expenses	KRW Million	510,319	564,353
Operating income	KRW Million	340,527	-215,525
Financial income	KRW Million	122,705	269,250
Other non-operating income	KRW Million	18,464	124,622
Income before income tax expenses	KRW Million	481,696	178,347
Income tax expenses (income)	KRW Million	109,569	4,216
Net income	KRW Million	372,127	174,131
Financial position			
Current assets	KRW Million	10,981,564	12,606,493
Non-current assets	KRW Million	3,967,001	4,253,673
Total assets	KRW Million	14,948,565	16,860,166
Current liabilities	KRW Million	5,858,555	7,670,060
Non-current liabilities	KRW Million	2,400,081	2,247,354
Total liabilities	KRW Million	8,258,636	9,917,414
Total shareholders' equity	KRW Million	6,689,929	6,942,752
Cash flows			
Cash flow from operating activities	KRW Million	-834,258	345,467
Cash flow from investing activities	KRW Million	331,898	224,227
Cash flow from financing activities	KRW Million	317,675	196,977
Cash and cash equivalents at beginning of year	KRW Million	2,565,512	2,382,136
Case and cash equivalents at end of year	KRW Million	2,382,136	3,154,182

ESG DATA (Hyundai E&C, separate basis)

Environmental

* Disclosure scope: GHG emissions and energy consumption is based on domestic and overseas business sites while all other metrics are based on domestic business sites

Greenhouse Gases

Category	Unit	2021	2022	2023	20241)
Direct/Indirect GHG emissions(Scope 1&2) ²⁾	tCO₂e	296,841	384,836	363,374	250,681
Direct GHG emissions(Scope 1)	tCO ₂ e	174,227	309,762	270,467	137,450
Domestic	tCO ₂ e	13,102	22,411	18,905	16,986
Overseas	tCO₂e	161,125	287,351	251,562	120,464
Indirect GHG emissions(Scope 2) ³⁾	tCO₂e	122,614	75,074	92,907	113,234
Domestic	tCO ₂ e	65,075	57,556	68,947	69,323
Overseas	tCO ₂ e	57,539	17,518	23,960	43,911
GHG emission intensity(Scope 1&2) ⁴⁾	tCO ₂ e/KRW 100 million	2.90	3,21	2,30	1.50
Scope 1 emission intensity	tCO ₂ e/KRW 100 million	1.70	2.59	1,71	0.82
Scope 2 emission intensity	tCO ₂ e/KRW 100 million	1,20	0.63	0.59	0.68

¹⁾ Decrease in 2024 GHG emissions due to changes in calculation methodology during third-party verification

Scope 3 Emissions by Category

Category	Unit	2021	2022	2023	2024
Other indirect GHG emissions(Scope 3)	tCO₂e	9,281,746	6,658,746	5,765,722	5,198,461
Upstream	tCO₂e	3,903,321	4,156,256	2,880,399	2,345,947
Cat1. Goods and services purchased	tCO₂e	3,060,083	2,736,622	2,720,684	2,236,489
Cat2. Capital goods	tCO₂e	361	1,164	460	246
Cat3. Fuel and energy–related activities not included in Scope 1 and 2	tCO ₂ e	4,541	13,110	75,605	46,943
Cat4, Upstream transportation and distribution	tCO ₂ e	775,204	1,338,148	79,906	58,879
Cat5. Waste generated in operation processes	tCO ₂ e	15,481	20,088	54	34
Cat6. Business travel	tCO₂e	5,359	2,353	3,282	2,928
Cat7. Commuting of employees	tCO₂e	42,292	44,770	407	429
Downstream	tCO₂e	5,378,425	2,502,491	2,885,323	2,852,514
Cat11. Use of sold products	tCO₂e	5,264,339	2,153,219	2,653,169	2,653,096
Cat12. Disposal of sold products	tCO₂e	105,520	288,569	180,759	177,996
Cat15, Investments	tCO₂e	8,566	60,703	51,395	21,422

^{*} Scope 3 emissions that are not disclosed are not relevant to Hyundai E&C Scope 3 emissions (Cat 8, Upstream Leased Assets, Cat 9, Downstream Transportation & Logistics, Cat. 10 Processed Products Sold, Cat. 13 Downstream Leased Assets, Cat. 14 Franchises)

Energy

Category			Unit	2021	20221)	2023	2024
T-4-1	(A + D)		MWh	948,541	1,368,284	1,187,243	778,357
Total energy con	isumption(A+B)		TJ	4,847	5,837	5,411	4,216
	Total non-renewable energy		MWh	948,503	1,368,223	1,187,177	778,234
	consumption(A	4)	TJ	4,847	5,837	5,410	4,215
		Sub-total	MWh	701,271	1,212,771	995,296	540,979
		Sub-total	TJ	2,525	4,366	3,583	1,948
	Fuel	Domostis	MWh	58,325	94,517	78,646	71,791
		Domestic	TJ	210	340	283	258
		0	MWh	642,946	1,118,253	916,650	469,188
		Overseas		2,315	4,026	3,300	1,689
		Code Askal	MWh	238,714	151,868	189,386	235,594
Non-renewable		Sub-total	TJ	2,292	1,458	1,818	2,262
energy	Electricity	Domestic	MWh	137,672	123,606	148,912	150,119
	Electricity	Domestic	TJ	1,322	1,187	1,430	1,441
		Overseas	MWh	101,043	28,262	40,474	85,475
			TJ	970	271	389	821
		Sub-total	MWh	8,517	3,584	2,495	1,661
		Sub-total	TJ	31	13	9	6
	Others (Steam,	Domestic	MWh	8,517	3,584	2,495	1,661
	etc.)	Domestic	TJ	31	13	9	6
		Ouerseas	MWh	_	_	_	_
		Overseas	TJ	_	_	_	_
	Renewable ene	ergy	MWh	38	61	66	123
Renewable	consumption(E	3) ²⁾	TJ	0.4	0.6	0.6	1.2
energy	Energy intensit	,,3)	MWh/KRW 100 million	9.30	11,42	7.52	4.65
	Energy intensit	у	TJ/KRW 100 million	0.05	0.05	0.03	0.03
Ratio of renewal	ole energy consu	ımption	%	0.004	0.004	0.006	0.016

^{*} Re-stated renewable energy usage for 2021-2022 due to changes in calculation methodology

Building Energy/GHG Intensity

Category		Unit	2021	2022	2023	2024
D 11.11	Seoul Headquarters	kWh/m³	208.79	173.32	164.64	171.15
Building energy intensity	Yeongnam Office Branch	kWh/m³	77.52	38.33	48.39	37.04
intensity	Jungbu Office Branch	kWh/m³	50.32	12.87	25,80	27.91
Building GHG	Seoul Headquarters	tCO ₂ e/m ²	0.08	0.06	0.06	0.06
emission intensity	Yeongnam Office Branch	tCO ₂ e/m ²	0.05	0.02	0.02	0.02
	Jungbu Office Branch	tCO ₂ e/m ²	0.05	0.01	0.01	0.01

^{*} Re-stated information for 2021–2023 due to changes in calculation standards for building energy/GHG intensity

²⁾ Due to rounding down emissions below the decimal point at each business site, the sum of emissions by type may differ from the total Scope 1 & 2 GHG emissions

³⁾ Location based

⁴⁾ Scope 1,2 emissions/non-consolidated sales

^{**} In 2023, the emission calculation methodologies for 'Cat4. Upstream Transportation and Logistics', 'Cat5. Waste Generated in Operations', and 'Cat7. Employee Commuting' were revised.

¹⁾ Increase in 2022 energy consumption due to inclusion of other cured fuels in the calculation scope

²⁾ Re-stated renewable energy usage data for 2021–2022 due to exclusion of charcoal from renewable sources

³⁾ Total energy consumption/non-consolidated sales

ESG DATA (Hyundai E&C, separate basis)

Water Resources

Category	Unit	2021	2022	2023	2024
Total water withdrawal	1,000 tonnes	1,478.01	1,229.82	2,027.66	2,378.69
Municipal water supplies	1,000 tonnes	400.58	669.70	988.95	1,170.41
Surface water	1,000 tonnes	809.96	363,82	449.12	202.22
Groundwater	1,000 tonnes	93.61	116,22	535.76	999.01
Other	1,000 tonnes	173.86	80.08	53.82	7.05
Water reuse	1,000 tonnes	2.70	3.60	22,86	22,14
Ratio of water reuse	%	0.18	0.29	1,13	0.93
Total water discharged	1,000 tonnes	507.75	531,51	422,20	440.01
Water consumption	1,000 tonnes	970.26	698.31	1,605.46	1,938.68

Discharge of Water Pollutants

Category	Unit	2021	2022	2023	2024 ¹⁾
COD	ton	32.44	79.51	77.59	109.50
BOD	ton	24.38	61,35	85.35 ²⁾	108.40
SS	ton	36.75	65.29	71.67	47.20
TOC	ton	18.29	43.37	42.35	90.50

¹⁾ Variations in annual pollutant emissions due to installation and decommissioning of wastewater treatment facilities, which are characteristic of construction projects (Number of sites installed/decommissioned/maintained in 2024: 27/32/23)

Resource Consumption (Raw Material)

Category	Unit	2021	2022	2023	2024
Wood	m ³	27,890	25,491	60,247	66,444
Concrete (ready-mixed concrete)	m ³	3,871,549	5,137,646	6,850,906	4,877,588
Sand	m ³	34,386	34,849	64,365	109,742
Asphalt concrete	ton	344,410	53,632	14,092	7,383
Steel (iron)	ton	501,000	559,096	705,901	523,789
Recycled steel (iron) 1),2)	ton	_	_	_	320,258(74%)
Aggregate	m ³	644,346	794,705	399,427	279,529
Recycled aggregate ²⁾	m³	9,072	35,060	17,000	2,805(1%)
Cement	ton	225,830	182,268	210,641	523,023
Recycled cement ^{1),2)}	ton				3,771(1%)

¹⁾ Collection of Recycled Steel (iron) and Cement Data Starting in 2024

Waste

Category	Unit	2021	2022	2023	2024
Total waste generated	ton	869,806	1,312,651	1,289,671	1,272,643
Landfilled	ton	3,230	4,000	158	350
Incinerated (without energy recovery)	ton	2,328	254	77	42
Recycled	ton	864,248	1,308,397	1,289,436	1,272,250
Recycling rate	%	99.36	99.68	99.98	99.97
Construction waste generated	ton	762,594	1,184,155	1,263,722	1,241,184
Landfilled	ton	3,191	155	0	350
Incinerated (without energy recovery)	ton	2,124	147	41	6
Recycled	ton	757,279	1,183,853	1,263,682	1,240,828
Business site waste generated	ton	107,193	128,476	25,871	31,458
Landfilled	ton	39	3,845	153	0
Incinerated (without energy recovery)	ton	189	104	36	36
Recycled	ton	106,965	124,527	25,681	31,422
Designated waste generated	ton	19	20	78	0
Landfilled	ton	0	0	5	0
Incinerated (without energy recovery)	ton	15	4	0	0
Recycled	ton	4	16	73	0

Environmental System

Category		Unit	2021	2022	2023	2024
Environmental management system certification	Ratio of business sites with EMS certification	%	100	100	100	100

^{*}Based on domestic and overseas sites

²⁾ Increase in 2023 BOD due to application of revised BOD calculation criteria for septic tanks as per the Ministry of Environment notice

²⁾ Coverage of raw material usage based on business sites: 83%

ESG DATA (Hyundai E&C, separate basis)

Environmental Laws

Category		Unit	2021	2022	2023	2024
Number of environmental law violations	Number of penalties over USD 10,000	Cases	0	0	0	0

^{*} As the criteria for environmental law violations vary by country, cases are standardized based on penalties over USD 10,000

Environmental Investments and R&D Expenses

Category	Unit	2021	2022	2023	2024
Low-carbon R&D	KRW Million	3,716	4,400	3,588	2,554
Environmental management expense	KRW Million	35,025	40,391	41,145	45,216
Air quality	KRW Million	8,479	8,240	8,191	10,490
Water quality	KRW Million	2,412	3,181	2,052	2,733
Noise, vibrations, and other	KRW Million	9,357	8,318	6,876	7,435
Waste, soil	KRW Million	14,776	20,652	24,026	24,558

Sustainable Products and Services (EU Taxonomy Eligible)

Catamani	Formania Astivitus	Cada	Catamani	Unit	20211)	20221)		20231)			2024	
Category	Economic Activity	Code	Category	Offic	Sales	Sales	Sales	CapEx ²⁾	OpEx	Sales	CapEx	OpEx
Manufacturing	Cement manufacturing	3.7	Transitional	KRW Million	-	_	_	_	22	_	_	57
Manufacturing	Hydrogen manufacturing	3.10	_	KRW Million		2,535	205	_	537	260		1,313
	Solar power	4.1	_	KRW Million		_	_	_	_	_		38
	Wind power	4.3	_	KRW Million			95,234	40	145	52,016	8	114
	Hydro power	4.5	_	KRW Million		_	26,742	70	_	38,028		
_	Geothermal power	4.6	_	KRW Million		_	0.1		_	_		
Energy	Bioenergy	4.8	_	KRW Million	176,623	176,623 248,396	_	_	_	_		_
	Electricity transmission/distribution	4.9	Enabling	KRW Million			421,716	_	_	269,954	3,453	-
	New NPPs	4.27	Transitional	KRW Million		_	37,489	951	1,773	110,149	2,155	345
	Existing NPPs	4.28	Transitional	KRW Million		_	6,822	_	_	_		_
	Construction of water withdrawal facilities, etc.	5.1	_	KRW Million			_	_	2	_		55
	Construction of wastewater treatment facilities, etc.	5.3	_	KRW Million	66,472	143,352 _	64,462	10	11	-6,012 ³⁾		_
Water/Waste	Improvements to wastewater treatment facilities, etc.	5.4	_	KRW Million	00,472	: 143,332 =	8,366			11,338		-
	Anaerobic digestion	5.7	_	KRW Million			21,545	1	646	14,830	1	76
	Transport of CO ₂	5.11	Enabling	KRW Million	8,740	15,897	_	_	44	_		22
	Permanent CO ₂ sequestration	5.12	_	KRW Million		_	_		118	_		358
Transportation	Infrastructure for rail transport	6.14	Enabling	KRW Million	295,095	643,768	782,586	11,885	_	860,682	18,475	_
Construction	Construction of new buildings	7.1	_	KRW Million	4,182,863	5,378,721	8,298,865	65,149	290	8,772,374	34,473	177
Total				KRW Million	4,729,793	6,432,669	9,764,030	78,105	3,588	10,123,619	58,565	2,554
Non-consolidate	ed sales			KRW Million	10,246,315	11,978,479	15,778,844	234,805	164,251	16,730,103	202,479	177,866
Ratio				%	46	54	62	33	2	61	29	1

¹⁾ Revised disclosure reflecting changes in green/environmental certification status during construction

²⁾ CapEx: includes acquisition costs of tangible assets, intangible assets, investment properties, and leases

³⁾ Temporary negative value in sustainable activity revenue due to sales reversal at certain sites

APPENDIX

ESG DATA (Hyundai E&C, separate basis)

Social

Status of Employees

Category			Unit	2021	2022	2023	2024	Note
	Sub-total		People	6,241	6,799	7,115	7,149	
	Male		People	5,548	5,998	6,289	6,359	
Gender	Male ratio		%	88.9	88.22	88.39	88.95	
	Female		People	693	801	826	790	
	Female ratio		%	11.10	11.78	11.61	11.05	
	Under 30		People	568	859	933	881	12,32% of total employees
Age group	30-49		People	4,602	4,732	4,572	4,528	63.34% of total employees
	50 or over		People	1,071	1,208	1,610	1,740	24.34% of total employees
		Sub-total	People	4,018	4,237	4,325	4,516	
	Regular	Male	People	3,786	4,003	4,082	4,246	
	Regulai	Female	People	232	234	243	270	
Employment type		Female ratio	%	5.77	5.52	5.62	5.98	
		Sub-total	People	2,157	2,478	2,706	2,565	
	Contract	Male	People	1,698	1,913	2,125	2,047	
	CONTIACT	Female	People	459	565	581	518	
		Female ratio	%	21,28	22.80	21.47	20.19	
		Sub-total	People	66	84	84	68	
	Executive	Male	People	64	82	82	66	
		Female	People	2	2	2	2	
		Female ratio	%	3.03	2,38	2,38	2.94	
		Sub-total	People	3,237	3,419	3,486	4,022	
	Management -level	Male	People	3,103	3,276	3,330	3,844	
	employees	Female	People	134	143	156	178	
		Female ratio	%	4.14	4.18	4.48	4.43	Target female ratio by 2030: 5,599
		Sub-total	People	1,993	2,137	2,238	2,584	
Level ¹⁾	Senior	Male	People	1,943	2,078	2,174	2,504	
Level	manager	Female	People	50	59	64	80	
		Female ratio	%	2.51	2.76	2.86	3.10	Target female ratio by 2030: 3,689
		Sub-total	People	1,244	1,282	1,248	1,438	
	Junior	Male	People	1,160	1,198	1,156	1,340	
	manager	Female	People	84	84	92	98	
		Female ratio	%	6.75	6.55	7.37	6.82	Target female ratio by 2030: 8,759

Category			Unit	2021	2022	2023	2024	Note
		Sub-total	People	781	818	839	3,127	
1 11)	Non-	Male	People	683	727	752	2,515	
Level ¹⁾	management	Female	People	98	91	87	612	
		Female ratio	%	12,55	11,12	10.37	19.57	Target female ratio by 2030: 16,46%
	Domestic		People	6,199	6,758	7,056	7,081	99,05% of total employees
		Asia	People	21	21	40	47	0.66% of total employees
Region/		Europe/CIS	People	8	7	7	7	0.1% of total employees
Nationality	Overseas	Americas/Pacific	People	10	10	9	11	0.15% of total employees
		Africa	People	2	2	2	2	0.03% of total employees
		Oceania	People	1	1	1	1	0.01% of total employees
		Sub-total	People	4,678	4,291	4,598	4,670	
	Sales &	Male	People	4,203	3,924	4,217	4,307	
	marketing division	Female	People	475	367	381	363	
		Female ratio	%	10.15	8.55	8.29	7.77	Target female ratio by 2030: 13,55%
	Non-sales & marketing division	Sub-total	People	768	893	909	899	
-		Male	People	625	686	690	681	
Туре		Female	People	143	207	219	218	
	(General)	Female ratio	%	18.62	23.18	24.09	24.25	Target female ratio by 2030: 20,46%
	Nan ada	Sub-total	People	795	1,615	1,608	1,580	
	Non-sales & marketing	Male	People	720	1,388	1,382	1,371	
	division(STEM-	Female	People	75	227	226	209	
	related)	Female ratio	%	9.43	14.06	14.05	13.23	Target female ratio by 2030: 12,73%
	Sub-total		People	191	194	176 ²⁾	169	Counted as two persons for those with severe disabilities
	Total employee	with disabilities	People	149	150	133	135	
Employee with disabilities	Employee with (excluding sev	n disabilities vere disabilities)	People	107	106	90	101	
uisubiillies	Employee with	n severe disabilities	People	42	44	43	34	
	Proportion of er disabilities	mployees with	%	3.06	2,85	2.46	2,36	

^{*} In 2024, share of all management positions by nationality: Asia 99.8%, Europe/CIS 0.05%, Americas/Pacific 0.12%, Africa 0%, Oceania 0.02%.

¹⁾ Starting in 2024, disclosure includes both permanent and contract-based employees to enhance data quality

²⁾ Re-stated information based on year-end figures instead of annual averages

APPENDIX

ESG DATA (Hyundai E&C, separate basis)

Socia

Recruitment

Category			Unit	2021	2022	2023	2024
Total recruitm	nents		People	1,217	2,122	1,467	1,394
New Recruitn	nent Rate		%	20	31	21	19
	M-I-	Number	People	970	1,701	1,246	1,168
C	Male	Ratio	%	79.70	80.16	84.94	83.78
Gender	Female	Number	People	247	421	221	226
	remaie	Ratio	%	20.30	19.84	15.06	16.21
		Number	People	377	715	480	417
	Under 30	Ratio	%	30.98	33.69	32.72	29.91
A C	20.40	Number	People	681	1,220	824	758
Age Group	30-49	Ratio	%	55.96	57.49	56.17	54,38
	50 or over	Number	People	159	187	163	219
		Ratio	%	13.06	8.81	11,11	15.71
	Management	Senior manager	People	44	78	21	158
Level ^{1),2)}		Junior manager	People	30	86	42	117
	Non-management		People	81	270	195	1,119
	Sub-total		People	1,217	2,122	1,467	1,394
	Asia		People	1,213	2,119	1,460	1,390
Region/	Europe/CIS		People	0	1	3	3
Nationality	Americas/Pacific		People	4	2	1	0
	Africa		People	0	0	0	0
	Oceania		People	0	0	3	1
D 11 11		Entry-level	People	48	184	145	144
Recruitment Type Experienced		People	1,169	1,938	1,322	1,250	
Proportion of	f existing employees(in	nternal hires) ³⁾	%	80.8	80.8	81,2	82.2
Average serv	ice duration of employ	rees	Years	14	13	13	13
Average cost	of employment		KRW	186,364	138,715	304,775	339,880

¹⁾ Management-level (Responsible Manager or above), Non-management-level (Manager/PJT, CS positions including contract workers)

Turnover

Category			Unit	2021	2022	2023	2024
Total employe	Total employee turnover rate		%	28.04	23.14	16.81	19.92
C	Male		%	26,26	20.99	15.96	18.32
Gender	Female		%	42,28	39.20	23.24	32.78
	Under 30		%	46.30	36.67	27.12	31.44
Age group	30-49		%	24,23	19.59	15.05	18.33
	50 or over		%	34.73	27.40	15.84	18.22
	Management	Senior manager	%		_		7.12
Level ¹⁾		Junior manager	%		_		10.78
	Non-management		%				34.70
	Domestic	Domestic		28,20	23.22	16.79	19.84
		Asia	%	4.76	0	15.00	36.17
Region/		Europe/CIS	%		28.57	42.86	14.29
Nationality	Overseas	Americas/Pacific	%	10.00	20.00	22.22	9.09
		Africa	%		0	0	0
		Oceania	%		0	0	0

¹⁾ Data not disclosed for 2021-2023 due to new calculation

Voluntary turnover

Category			Unit	2021	2022	2023	2024
Total employe	Total employee voluntary turnover rate		%	7.10	8.40	5.73	4.48
Cardan	Male		%	6.74	7.94	5.60	4.23
Gender	Female		%	9.96	11,86	6.78	6.46
	Under 30		%	12.15	15,13	11.90	8.06
Age group	30-49		%	7.21	8.07	5.47	4.51
	50 or over		%	3.92	4.88	2.92	2.59
	Management	Senior manager	%	_	_	_	1.63
Level ¹⁾		Junior manager	%	_	_	_	3.69
	Non-management		%	_	_	_	7.20
	Domestic		%	7.15	8.40	5.68	4.34
		Asia	%	0	0	10.00	25.53
Region/		Europe/CIS	%	0	28.57	28.57	0
Nationality	Overseas	Americas/Pacific	%	0	10.00	11,11	9.09
		Africa	%	0	0	0	0
		Oceania	%	0	0	0	0

^{*} Re-stated information for 2021–2023 due to changes in calculation methodology (including both regular and contract based employees)

²⁾ Including executives

³⁾ Ratio of existing employees to total new hires

¹⁾ Data not disclosed for 2021–2023 due to new calculation

ESG DATA (Hyundai E&C, separate basis)

Social

Parental Leaves

Category		Unit	2021	2022	2023	20241)
	Total	People	34	30	40	100
Number of employees taking parental leave ²⁾	Male	People	17	19	29	71
	Female	People	17	11	11	29
	Total	People	30	27	33	47
Number of employees returning from parental leave ³⁾	Male	People	15	18	24	32
	Female	People	15	9	9	15
	Total	%	88.20	90.00	94.29	75.00
Return rate from paternal leave ⁴⁾	Male	%	83,33	94.74	96.00	76.00
	Female	%	93.75	81,82	90.00	71.00
	Total	People	17	13	23	22
Number of employees who worked for over 12 months after returning ⁵⁾	Male	People	7	4	11	16
a.c. retarming	Female	People	10	9	12	6

- 1) Starting in 2024, both regular and contract employees included to enhance quality of data disclosure
- 2) Number of employees taking parental leave during the reporting year
- 3) Number of employees returning from parental leave during the reporting year
- 4) Return rate from parental leave = Number of returnees / (Number of returnees + number of employees who left without returning); employees whose return and resignation dates differ by less than one week are excluded (considered resignation, not return)
- 5) Number of employees who worked for over 12 months after returning from parental leave in the previous year

Family-related Leaves (2024)

Category	Unit	Total	Male	Female
Number of employees taking family-related leave (including maternity leave and family care leave, excluding parental leave) ¹⁾	People	250	214	36
Ratio of employees taking family-related leave ²⁾	%	12,98	11,70	37,11
Number of employees returning from family-related leave	People	205	179	26
Return rate from family-related leave	%	92,76	94.71	81,25
Number of employees who worked for over 12 months after returning from family–related leave	People	153	144	9
Number of employees who did not work for over 12 months after returning from family–related leave ³⁾	People	11	10	1
Ratio of employees who worked for over 12 months after returning from family–related leave	%	93.29	93.51	90.00

¹⁾ Includes parental leave, maternity leave, and family care leave

Employee Compensation

Category			Unit	2021	2022	2023	2024
T		Male	KRW Million	574,189	639,261	707,533	743,511
Total amount	or wages	Female	KRW Million	40,048	48,760	56,863	59,233
Employee salary (Annual		Male	KRW	81,909,989	87,498,016	96,420,372	99,200,996
average)		Female	KRW	40,991,198	44,126,331	55,967,773	57,396,513
Ratio of fema	le salary to male sa	lary ¹⁾	%	50.04	50.43	58.05	57.86
		Male	KRW	232,254,666	338,123,166	306,878,971	328,296,274
	Base salary	Female	KRW	180,000,000	285,000,000	249,583,335	304,999,998
Executive level (Annual		Ratio of female remuneration to male remuneration ³⁾	%	77.50	84.29	81,33	92.90
	Base salary +	Male	KRW	375,155,771	465,342,497	459,561,324	375,378,952
	Other allowance (Overtime allowance)	Female	KRW	309,098,791	412,308,939	357,173,750	341,813,498
		Ratio of female remuneration to male remuneration ³⁾	%	82.39	88.60	77.72	91.06
		Male	KRW	55,865,560	57,166,054	61,385,463	63,538,424
	Base salary	Female	KRW	49,184,763	53,218,868	56,021,703	58,600,422
Management	Sube suidi,	Ratio of female remuneration to male remuneration	%	88.06	93.10	91,26	92,23
level(Annual average)	Base salary +	Male	KRW	110,759,574	114,476,268	122,833,726	126,176,205
	Other allowance	Female	KRW	88,021,957	96,794,554	101,309,812	104,938,151
	(Overtime allowance)	Ratio of female remuneration to male remuneration	%	79.47	84.55	82,48	83,17
		Male	KRW	20,942,081	22,540,783	27,155,542	28,656,185
	Base salary	Female	KRW	16,397,427	16,959,208	22,806,693	22,727,404
Non- management	Sube sulary	Ratio of female remuneration to male remuneration	%	78.30	75.24	83.99	79.31
level(Annual	Base salary +	Male	KRW	42,608,874	46,256,956	55,220,641	59,149,734
average) ⁴⁾	Other allowance	Female	KRW	31,993,931	34,276,578	45,990,050	46,314,813
	(Overtime allowance)	Ratio of female remuneration to male remuneration	%	75.09	74.10	83.28	78.30

^{*} Re-stated information for 2021–2023 due to change in calculation methodology (total wage based on actual payment records; average wage calculated for all employees including regular, contract, and non-regular employees)

²⁾ Number of family-related leave users / number of eligible employees; eligible employees include those who meet the criteria based on child status and those with remaining parental leave balance after prior use

³⁾ Includes employees who left the company within one year of returning to work in 2023 or 2024

¹⁾ Difference due to higher ratio of non-management-level female employees

²⁾ Management remuneration of independent directors not included

³⁾ Compensation gap due to difference in length of service following the appointment of a new female executive in 2021

⁴⁾ Categorized by executive (executive-level), management (responsible manager), and non-management (manager): in the construction industry, high proportion of contract non-management positions (e.g., PJT, CS roles) leads to wider salary gap by level compared to other industries

ESG DATA (Hyundai E&C, separate basis)

Social

Training

Category			Unit	2021	2022	2023	2024
Total training hours			Hours	186,793	146,659	181,676	218,388
Gender	Male		Hours	176,477	140,080	158,525	192,340
Gender	Female		Hours	10,316	6,579	23,151	26,048
	Under 30		Hours	10,537	21,598	17,833	18,066
Age group	30-49		Hours	141,279	98,600	126,278	162,060
	50 or over		Hours	34,977	26,461	37,565	38,262
	Management	Senior manager	Hours	94,525	69,926	74,985	93,419
Level	Management	Junior manager	Hours	57,114	38,256	32,253	51,866
	Non-management		Hours	31,523	38,477	74,438	73,103
	Domestic		Hours	143,475	114,491	180,528	192,064
		Asia	Hours	38,005	29,996	735	18,328
Dania (Nationalis I)		Europe/CIS	Hours	133	0	126	4,712
Region/Nationality ¹⁾	Overseas	Americas/Pacific	Hours	3,365	1,794	249	2,228
		Africa	Hours	1,815	378	38	416
		Oceania	Hours	0	0	0	640
	Mandatory		Hours	51,503	29,425	44,995	39,198
Type	Non-mandatory		Hours	135,290	117,234	136,681	179,190
Average training hou	ırs		Hours	29.93	21,57	25.53	30.55
Carada	Male		Hours	31,81	23.35	25.21	30,25
Gender	Female		Hours	14.89	8.21	28.03	32,97
	Under 30		Hours	18.55	25.14	19.11	20,51
Age group	30-49		Hours	30.70	20.84	27.62	35.79
	50 or over		Hours	32,66	21,90	23.33	21,99
	Mandatory		Hours	21.68	17.24	19.07	25.07
Type	Non-mandatory	,	Hours	8.25	4.33	6.32	5.48

Category		Unit	2021	2022	2023	2024	
Total training investr	ment		KRW Million	1,688	1,717	2,037	2,046
Gender	Male		KRW Million	1,595	1,625	1,786	1,817
Gender	Female		KRW Million	93	92	251	229
	Under 30		KRW Million	95	125	287	201
Age group	30-49		KRW Million	1,277	1,220	1,332	1,313
	50 or over		KRW Million	316	372	419	532
	M	Senior manager	KRW Million	854	933	653	701
Level	Management	Junior manager	KRW Million	516	484	315	338
	Non-managem	ent	KRW Million	285	300	1,069	1,007
	Domestic		KRW Million	1,297	1,340	2,018	2,038
		Asia	KRW Million	344	331	13	3
Dania (Matianality I)		Europe/CIS	KRW Million	1	0	3	1
Region/Nationality ¹⁾	Overseas	Americas/Pacific	KRW Million	30	35	3	3
		Africa	KRW Million	16	11	1	1
		Oceania	KRW Million	0	0	0	0
T 2)	Mandatory		KRW Million			504	508
Type ²⁾	Non-mandatory	/	KRW Million			1,533	1,538
Average training inv	estment		KRW Million	0.27	0.25	0.29	0.29
Cardan	Male		KRW Million	0.29	0.27	0.28	0.29
Gender	Female		KRW Million	0.13	0.11	0.30	0.29
	Under 30		KRW Million	0.17	0.15	0.31	0,23
Age group	30-49		KRW Million	0.28	0.26	0.29	0.29
	50 or over		KRW Million	0.30	0.31	0.26	0.31
T 2)	Mandatory		KRW Million	_	_	0.07	0.07
Type ²⁾	Non-mandatory	/	KRW Million			0.22	0.22

 $^{^{*}}$ Starting in 2023, disclosure includes both regular and contract employees to enhance data quality

¹⁾ Data restated due to revised classification criteria

²⁾ Training investment calculated by training type starting in 2023

ESG DATA (Hyundai E&C, separate basis)

Safety

Category				Unit	2021	2022	2023¹)	2024
Investments in saf	ety managem	ent		KRW 100 million	1,349	1,658	2,399	2,773
Ratio of employee safety manageme		occupational	l health and	%	100	100	100	100
	Total			Cases	286	344	462	628
		Sub-total		Cases	14	35	45	60
			Sub-total	Cases	12	30	33	51
		Domestic	Fatality	Cases	0	0	0	0
	Employees		Injury	Cases	12	30	33	51
		Overseas	Sub-total	Cases	2	5	12	9
Number of cases			Fatality	Cases	0	0	0	1
of lost time injuries (number			Injury	Cases	2	5	12	8
of accidents)	Suppliers	Sub-total		Cases	272	309	417	568
			Sub-total	Cases	263	302	412	554
		Domestic	Fatality	Cases	5	3	3	2
			Injury	Cases	258	299	409	552
		Overseas	Sub-total	Cases	9	7		14
			Fatality	Cases	0	0	0	0
			Injury	Cases	9	7	5	14
Fatality rate per 10),000 people			‱	1.39	0.63	0.39	0.36
Lost time injury frequency rate(LTIFR) ²⁾	Employees			Cases/1million working hours	0.142	0.327	0,413	0.529
	Suppliers			Cases/1million working hours	1,695	1,982	2.254	2.741
Occupational illne	ess frequency	rate(OIFR) ³⁾		Cases/1million working hours	0.550	0.651	0.780	1,181

^{*} The accident rate for 2024 is as of March 31, 2025, and may be updated after final figures for industrial accident calculations are confirmed by the Ministry of Employment and Labor,

Social Contribution

Category				Unit	2021	2022	2023	2024
	Total participa	Total participants			4,410	3,456	3,519	3,120
Employee	Participation ra	ate	%	71	51	49	44	
Employee Volunteering	Total hours			Hours	12,117	12,231	13,512	10,329
	Hours per pers	son		Hours/ People	3	4	4	3
	Expenses by	Sub-total		KRW	20,043,197,044	14,936,391,408	13,880,912,652	14,619,641,900
	type of social	In-kind donations		KRW	660,877,257	657,403,788	738,970,664	545,947,922
	contribution activities	Cash donations		KRW	13,786,655,467	8,446,417,111	7,311,238,975	6,255,733,842
		Indirect expenses		KRW	5,595,664,320	5,832,570,509	5,830,703,013	7,817,960,136
	Expenses by area of social contribution activities	Local community investments	Expense	KRW	10,478,361,724	4,961,579,788	4,417,037,639	3,072,917,642
			Ratio	%	52	33	32	21
		Charitable donations	Expense	KRW	3,758,171,000	3,899,241,111	3,351,772,000	3,436,964,122
Social contribution			Ratio	%	19	26	24	24
programs	activities	Commercial initiatives	Expense	KRW	5,806,664,320	6,075,570,509	6,112,103,013	8,109,760,136
		Commercial milialives	Ratio	%	29	41	44	55
	Headquarters	donation expenses		KRW 100 million	136	82	70	60
	Fundraising ex	penses for sharing love	fund	KRW 100 million	2.56	2.40	2,40	2,16
	Cumulative nu countries	mber of overseas expar	ision	Countries	20	22	22	25
	CSR mileage p	oints		Points	3.9	3.4	3.9	3.4

Number of employees who received regular performance evaluations

Category	Unit	2021	2022	2023	2024
Total number of employees who received regular performance evaluations	%	100.00	100.00	100.00	100.00

Employee Engagement

Category		2021	2022	2023	2024
Employee participation rate	%	72.50	74.50	82.70	86.70
Employee engagement	Score	63.30	67.70	75.40	77.10

^{*} HDEC has been continuously reducing the fatality rate per 10,000 people, a key indicator of serious accidents. The recent increase in the overall accident rate is primarily attributed to a higher proportion of minor incidents in the work environment (e.g., slips, trips, and falls). This reflects HDEC's active management of even minor cases, and overall safety management standards are improving. The accident rate is expected to gradually decline going forward.

^{1) 2023} data was re-delineated to reflect finalized figures following the release of the 2024 Report

²⁾ Lost Time Injury Frequency Rate = (Number of accidents with lost time × 1,000,000(Hours)) / annual working hours

³⁾ Occupational Illness Frequency Rate = (Number of occupational illnesses ×1,000,000(Hours)) / annual working hours

ESG DATA (Hyundai E&C, separate basis)

Social

Suppliers

Category		Unit	2021	2022	2023	2024
	Sub-total	Companies	167	211	207	242
Tier-1 suppliers	Procurement	Companies	57	57	56	88
	Outsourcing – construction	Companies	110	154	151	154
Tier Tauppliers	Number of tier–1 significant suppliers	Companies	3	39	34	44
	Percentage of tier-1 significant suppliers	%	2	18	16	18
Non tier-1 significant s	upplier ¹⁾	Companies	0	0	0	0
Financial support for supplier	Win-win growth fund	KRW 100 million	1,600	1,600	1,660	1,660

^{*} The criteria for Tier 1 suppliers in the supplier data have been revised. Tier 1 suppliers are defined as those with transaction records during the reporting year and possessing excellent competitiveness in all aspects, including safety, quality, performance, as well as technological capabilities and sustainability (ESG)

Human Rights Risk Assessment at Business Sites

Category		Unit	2021	2022	2023	2024
	Sub-total	Sites	36	36	159	166
Number of business sites where human rights risk assessments were conducted	Domestic	Sites	0	0	118	124
ussessments were conducted	Overseas	Sites	36	36	41	42
	Sub-total	Sites	6	6	47	0
Number of business sites where human rights risks were identified	Domestic	Sites	3	3	46	0
were identified	Overseas	Sites	3	3	1	0
	Sub-total	Sites	6	6	47	0
Number of business sites with established mitigation or remediation plans for human rights risks	Domestic	Sites	3	3	46	0
or remediation plans for Hamaringhis fisks	Overseas	Sites	3	3	1	0
Number of business sites where mitigation or	Sub-total	Sites	6	6	47	0
remediation plans for human rights risks were	Domestic	Sites	3	3	46	0
completed	Overseas	Sites	3	3	1	0

^{*} HDEC plans to further advance the indicators and methodology for human rights risk assessment at its workplaces to ensure that unidentified potential risks are properly managed.

Customer Satisfaction

Category Customer satisfaction survey on quality		Unit	2021	2022	20231)	2024
		Points	84.4	80.6	81.3	84.0
	No. of cases submitted	Cases	9,389	10,627	14,413	16,370
VOC management ²⁾	No. of cases handled	Cases	9,389	10,627	14,413	16,370
	Handling rate	%	100	100	100	100

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¹⁾ No Tier 2 suppliers with significant ESG impacts were identified, Subcontracting of construction work is prohibited under the Framework Act on the Construction Industry

¹⁾ Revised criteria for the quality satisfaction assessment in 2023

²⁾ Data based on housing/general customers

ESG DATA (Hyundai E&C, separate basis)

Governance

Board of Directors

Category			Unit	2021	2022	2023	2024
	Total number of b	ooard members	People	7	7	7	7
	Non-executive di	rector	People	0	0	0	0
	Inside director		People	3	3	3	3
	Independent dire	ctor	People	4	4	4	4
	Independent dire	ctor ratio	%	57.14	57.14	57.14	57.14
Board composition	Board female ratio	0	%	14,29	14,29	14.29	14.29
	Board	No. of independent director or auditors recommended by shareholder proposal	People	0	0	0	0
	independence	No. of independent director with conflicts of interest	People	0	0	0	0
	Board efficiency	Number of independent director holding concurrent positions in four or fewer companies	People	4	4	4	4
	No. of board mee	tings	Times	13	11	8	10
	Average attendar	nce rate of board meetings	%	91.8	97.4	100	95.6
Board operation	No. of agenda wh	ere objection or amendment was bendent director	Cases	0	0	1	0
орегиноп	Frequency of boa	ard reviews on ESG impacts, risks, and	Times	4	8	10	8
	Average tenure of	f board member*	Years	1.0	2.0	2.6	3
Board remuneration	CEO remuneration	n (base salary + variable salary)	KRW Million	1,080	1,791	1,661	2,011
	Ratio of CEO rem	uneration to average employee	%	7.4	9.8	15.81	18.45
Total equity ratio persons	of inside directors exc	luding largest shareholder an affiliated	%	0	0	0	0
* D I I I	-l 4bl-4f 4b - C	ral Masting of Charobaldors					

^{*} Recalculated based on the date of the General Meeting of Shareholders

Board Committees

Category		Unit	2021	2022	2023	2024
	Ratio of audit committee members meeting financial professional requirements	%	25	25	25	25
Audit committee	Ratio of non-audit service remuneration to audit service remuneration paid to external auditors	%	55.9	0	11,5	26.7
	Independent director ratio	%	100	100	100	100
	Independent director attendance rate	%	100	96	100	100
	Number of committee meetings	Times	7	6	7	6
	Independent director ratio	%	67	67	67	67
Compensation committee	Independent director attendance rate	%	100	100	100	100
committee	Number of committee meetings	Times	1	1	2	1
Nominating	Independent director ratio	%	100	80	67	67
committee for independent	Independent director attendance rate	%	100	75	100	100
director	Number of committee meetings	Times	1	1	1	2
Corporate governance and communication	Independent director ratio	%	100	100	100	100
	Independent director attendance rate	%	100	94	100	100
committee	Number of committee meetings	Times	9	9	8	6

Stock Holdings

Unit	2021	2022	2023	2024
Shares	3,339	4,339	5,039	5,039 ¹⁾
Shares	1,000	100	1,100	4,100
%	0	0	0	0
%	10	8	8	7
%	21	21	21	21
Days	29	30	34	29
	Shares Shares % %	Shares 3,339 Shares 1,000 % 0 % 10 % 21	Shares 3,339 4,339 Shares 1,000 100 % 0 0 % 10 8 % 21 21	Shares 3,339 4,339 5,039 Shares 1,000 100 1,100 % 0 0 0 % 10 8 8 % 21 21 21

^{*} Shares held at year-end

¹⁾ Number of shares(prefereed shares and common share) held by Yoon Young-joon (former CEO), CEO Yoon Young-Joon retired as of November 17, 2024, and new CEO Lee Han-Woo was appointed as of January 3, 2025 (holding 2,201 shares)

²⁾ National Pension Service

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ESG DATA (Hyundai E&C, separate basis)

Governance

Compliance

Category		Unit	2021	2022	2023	2024
Ethics violations*	Total number of violations	Cases	10	12	30	19
	Corruption or bribery (acceptance of hospitality/entertainment)	Cases	4	4	22	14
	Discrimination or Harassment	Cases	2	5	8	5
Ethics violations	Customer Privacy Data Breach	Cases	0	0	0	0
by type	Conflicts of interest	Cases	0	0	0	0
	Money laundering or insider trading	Cases	0	0	0	0
	Other ethics violations	Cases	4	3	0	0
	Disciplinary dismissal	Cases	14	4	16	7
Disciplinary	Recommended resignation	Cases	1	0	5	1
actions due to violations	Suspension	Cases	2	2	1	4
	Pay cut	Cases	3	5	5	3
	Reprimand	Cases	4	5	3	4

^{*} Disciplinary Committee Resolution Criteria

Reports to the Cyber Audit Office

Category	Unit	2021	2022	2023	2024
Number of reports	Cases	87	151	178	228
Cases proven to be true	Cases	58	64	46	16
Cases proven to be false	Cases	29	87	132	212

Anti-corruption Risk

Category	Unit	2021	2022	2023	2024
Anti-corruption risk assessment (ISO 37001) coverage ratio	%	100	100	100	100

Research and Development

Category		Unit	2021	2022	2023	2024
F	Company–wide R&D costs ¹⁾	KRW 100 million	1,250	1,368	1,643	1,779
Expenses	Government subsidies	KRW 100 million	13	33	61	78
	Personnel operation expenses	KRW 100 million	149	169	190	197
Investment	Technology development costs	KRW 100 million	29	30	45	43
Devrannal	Asset acquisition costs	KRW 100 million	0	21	2	6
Personnel	Number of R&D personnel	People	140	141	157	160
	National projects	Cases	2	8	15	18
R&D projects	Internal projects	Cases	119	71	60	72
	In-house projects	Cases	30	36	63 ²⁾	48
Patent and technology	Patent registrations	Cases	60	38	31	44
acquisition	Patent applications	Cases	42	76	78	61
Status of new technologies and	Status of owned green technologies	Cases	1	2	1	1
green technologies held	Status of owned new technologies	Cases	17	15	14	12

¹⁾ Company-wide R&D costs include technology development costs

Political Support Funding

Category		Unit	2021	2022	2023	2024
	Sub-total	KRW Million	1,746	2,551	2,129	2,434
	Trade associations or tax-exempt groups	KRW Million	1,746	2,551	2,129	2,434
Contributions and other spending	Internal and external expenses related to lobbying	KRW Million	0	0	0	0
other spending	Contributions related to exerting political influence	KRW Million	0	0	0	0
	Membership fees for lobbying associations	KRW Million	0	0	0	0

^{*} As of 2024, there were no direct or indirect political contributions of any kind

Information Security

Category		Unit	2021	2022	2023	2024
	Complaints raised by regulatory bodies	Cases	0	0	0	0
Personal data leakage	Complaints received from external parties and verified by the organization	Cases	0	0	0	0
rearage	Number of confirmed cases of customer information leakage, theft, or loss	Cases	0	0	0	0
Financial losses due to privacy related lawsuits	Financial losses due to privacy related lawsuits related to user privacy during the reporting period	KRW Million	0	0	0	0
Certified business sites	Ratio of business sites with information security certification (ISO 27001)	%	100	100	100	100
	Number of vulnerability inspections	Cases	317	1,015	2,318	1,568
	Number of risks identified	Cases	50	52	153	134
Risk assessment	Risk identification rate	%	15.8	5.1	6.6	8.5
	Number of risk mitigation actions taken	Cases	50	52	153	134
	Risk mitigation rate	%	100	100	100	100

²⁾ Number of in-house R&D projects revised in 2023

^{**} Top 5 largest donations and contributions in 2024

¹⁾ Construction Association of Korea (KRW 890 million): The leading construction association in Korea that conducts research on laws, systems, and policies related to the construction industry, as well as statistical surveys and management analysis

²⁾ International Contractors Association of Korea (KRW 429 million): Private association established to support overseas construction activities, such as collecting, analyzing, and providing information on overseas markets, and to contribute to the development of the national economy

³⁾ Federation of Korean Industries (KRW 259 million): One of Korea's major business federations, composed of leading corporations and industry associations, established to address domestic and international economic issues and policy agendas

⁴⁾ Seoul Chamber of Commerce (KRW 139 million): Seoul branch of the Korea Chamber of Commerce and Industry (KCCI), established to support the improvement of local industries and promote development in the Seoul region

⁵⁾ Korea Federation of Construction Contractors (KRW 100 million): Private foundation set up to actively respond to the globalization and rapid advancement of the construction market and to pursue growth of the construction industry as a contribution to national economic development

Environmental

Greenhouse Gases

•	In this report, non-financial information is disclosed for Hyundai E&C and its major subsidiaries based on quantitative materiality (1% or more of total assets or
	revenue) and qualitative materiality (with priority on domestic entities). The scope includes Hyundai E&C (hereinafter 'HDEC'), Hyundai Engineering (hereinafter
	'HEC'), Hyundai Engineering & Steel Industries (hereinafter 'HESI'), Hyundai City Development (hereinafter 'HDCITY'), Songdo Landmark City (hereinafter
	'SLC'), Hyundai Eco Energy (hereinafter 'HECO'), and Hyundai Seosan Farm (hereinafter 'HDFND'), covering 98.92% of Hyundai E&C's consolidated revenue.
	In line with the growing importance of non-financial disclosures, Hyundai E&C is working to expand the reporting scope to the consolidated entity level, in
	alignment with global reporting standards such as the ESRS and ISSB that require consistency with financial reporting boundaries

• If data collection was not possible as of the report publication date, it is marked as "-". In cases where data from certain subsidiaries was unavailable and the calculation scope differs, the specific data coverage is clearly noted in the footnotes. Hyundai E&C will continue its efforts to ensure the accuracy and completeness of consolidated non-financial disclosures.

Category	Unit	2021	2022	2023		20	24	
Category	Offic	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries
Direct/Indirect GHG emissions (Scope 1&2)	tCO₂e	358,509	454,747	462,301	358,365	250,681	93,661	14,023
Direct GHG emissions (Scope 1) ¹⁾	tCO₂e	193,064	335,299	313,273	190,746	137,450	51,664	1,632
Indirect GHG emissions (Scope 2)	tCO₂e	165,445	119,449	149,028	167,622	113,234	41,997	12,391
GHG emission intensity (Scope 1&2) ²⁾	tCO₂e/KRW 100 million	0.50	0.51	0,33	0.01	1,50	0,63	0.02

¹⁾ Hyundai Eco Energy data not included for 2021–2023

Scope 3 Emissions by Category

Catagory	Unit	2022	2023		2024	
Category	Unit	Total	Total	Total	HDEC	HEC
Other indirect GHG emissions(Scope 3)	tCO₂e	8,320,921	7,230,784	7,323,141	5,198,461	2,124,680
Upstream	tCO ₂ e	5,074,379	3,872,652	3,655,078	2,345,947	1,309,131
Cat1. Goods and services purchased	tCO₂e	3,616,176	3,671,281	3,502,020	2,236,489	1,265,532
Cat2, Capital goods	tCO ₂ e	1,209	480	247	246	2
Cat3. Fuel and energy-related activities not included in Scope 1 and 2	tCO ₂ e	13,110	76,682	48,243	46,943	1,300
Cat4. Upstream transportation and distribution	tCO ₂ e	1,349,779	95,720	74,937	58,879	16,058
Cat5. Waste generated in operation processes	tCO ₂ e	39,359	16,921	14,971	34	14,937
Cat6. Business travel	tCO ₂ e	9,741	10,786	13,869	2,928	10,942
Cat7. Commuting of employees	tCO ₂ e	45,005	781	789	429	360
Downstream	tCO ₂ e	3,246,542	3,358,132	3,668,063	2,852,514	815,549
Cat11. Use of sold products	tCO ₂ e	2,826,891	3,015,973	3,356,939	2,653,096	703,843
Cat12. Disposal of sold products	tCO ₂ e	358,948	290,764	289,702	177,996	111,706
Cat15, Investments	tCO ₂ e	60,703	51,395	21,422	21,422	0

^{*} Hyundai E&C and Hyundai Engineering data

²⁾ Scope 1, 2 Emissions/separate revenues of each company

Environmental

Energy

Catagony	Unit	2021	2022	2023		2024 Fotal HDEC HEC Major Subside 1,104,296 778,357 288,846 1,104,173 778,234 288,846 751,286 540,979 203,793 352,888 237,255 85,053 123 123 0		
Category	Unit	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries
Total energy consumption(A+B)	MWh	1,111,519	1,567,076	1,464,592	1,104,296	778,357	288,846	37,093
Total non-renewable energy consumption(A)	MWh	1,111,481	1,567,015	1,464,526	1,104,173	778,234	288,846	37,093
Direct energy consumption	MWh	775,253	1,315,653	1,164,009	751,286	540,979	203,793	6,513
Indirect energy consumption	MWh	336,228	251,362	300,517	352,888	237,255	85,053	30,579
Total renewable energy consumption(B)	MWh	38	61	66	123	123	0	0
Energy intensity ¹⁾	MWh/KRW 100 million	6.12	7.29	4.88	0.03	4.65	1,96	4.48

¹⁾ Energy consumption/separate revenues of each company

Water Resources

Calaman	11-24	2021	2022	2023	2024			
Category	Unit	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries
Total water withdrawal ¹⁾	1,000 tonnes	2,655.56	2,032.03	2,600.65	3,333.31	2,378.69	876.39	78.23
Municipal water supplies ²⁾	1,000 tonnes	829.58	1,247.70	1,409.95	1,959.18	1,170.41	710.53	78.23
Surface water ²⁾	1,000 tonnes	1,182.96	397.82	505.12	264.18	202,22	61.97	0
Groundwater ²⁾	1,000 tonnes	417.61	246,22	564.76	1,102.90	999.01	103.90	0
Other ²⁾	1,000 tonnes	173.86	80.08	53,82	7.05	7.05	0	0
Total water discharged ³⁾	1,000 tonnes	959,31	566.05	569.19	837.74	440.01	394.44	3,29

¹⁾ Includes Hyundai E&C, Hyundai Engineering, and all major subsidiaries.

²⁾ Municipal water supplies, surface water, groundwater, and other sources exclude data from major subsidiaries other than Hyundai E8C and Hyundai Engineering

³⁾ Data includes Hyundai E&C, Hyundai Engineering, and Hyundai Engineering & Steel Industries(other major subsidiaries, excluding HESI, do not measure water discharge, Not applicable)

Environmenta

Waste

Catamany	11	2021	2022	2023		202	24	
Category	Unit	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries
Total waste generated	ton	1,356,736	2,031,815	2,104,511	1,791,299	1,272,643	518,116	540
Landfilled	ton	4,903	4,915	13,491	741	350	0	391
Incinerated (without energy recovery)	ton	2,388	349	426	1,138	42	1,018	78
Incinerated (with energy recovery)	ton	0	0	5	0	0	0	0
Recycled	ton	1,349,445	2,026,551	2,090,589	1,789,419	1,272,250	517,098	71
General waste generated ¹⁾	ton	1,356,223	2,031,399	2,103,816	1,791,129	1,272,643	518,099	388
Landfilled	ton	4,421	4,543	12,874	667	350	0	317
Incinerated (without energy recovery)	ton	2,373	346	426	1,048	42	1,006	0
Incinerated (with energy recovery)	ton	0	0	0	0	0	0	0
Recycled	ton	1,349,429	2,026,510	2,090,516	1,789,414	1,272,250	517,093	71
Designated waste generated	ton	513	416	695	169	0	17	152
Landfilled	ton	482	372	617	74	0	0	74
Incinerated (without energy recovery)	ton	15	4	0	90	0	12	78
Incinerated (with energy recovery)	ton	0	0	5	0	0	0	0
Recycled	ton	16	40	73	5	0	5	0

^{*} Hyundai Eco Energy, Hyundai City Corporation, and Songdo Landmark City, among the major subsidiaries, were excluded from the data as they did not generate any waste (Not Applicable)

¹⁾ General waste is the sum of construction waste and business site waste,

Social

Employees

Cataman		11-26	2021	2022	2023		2024		
Category		Unit	Total	Total	Total	Total	HDEC	HDEC HEC 7,149 7,405 6,359 6,514 790 891 11.05 12.03 881 559 4,528 5,174 1,740 1,672 4,516 4,918 2,633 2,487 7,081 7,325 47 69 7 8 11 2 2 1 1 0	Major Subsidiaries
Total employees (inclu	ıding contract workers)	People	13,041	14,272	14,876	14,859	7,149	7,405	305
	Male	People	11,615	12,603	13,134	13,145	6,359	6,514	272
Gender	Female	People	1,426	1,669	1,742	1,714	790	891	33
	Female ratio	%	10.93	11,69	11,71	11.54	11,05	12,03	10.82
	Under 30	People	1,055	1,425	1,619	1,471	881	559	31
Age group	30-49	People	9,464	10,028	9,908	9,863	4,528	5,174	161
	50 or over	People	2,522	2,819	3,349	3,525	1,740	1,672	113
F1	Regular	People	8,579	9,156	9,357	9,650	4,516	4,918	216
Employment type ¹⁾	Contract	People	4,462	5,116	5,519	5,209	2,633	2,487	89
	Domestic	People		7 107	14.027	14,711	7,081	7,325	305
	Asia	People	6,538	7,107	14,837 —	116	47	69	0
N .: (1) 2)	Europe/CIS	People	12	10	21	15	7	8	0
Nationality ^{1),2)}	Americas/Pacific	People	11	11	13	13	11	2	0
	Africa	People	2	2	2	3	2	1	0
	Others	People	0	0	3	1	1	0	0
Minorities		People	333	425	440	377	169	204	4

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Average Service Duration of Employees

Category	Unit				2024			
Category	Offic	HDEC	HEC	HESI	HDCITY	SLC	HECO	HDFND
Average service duration of employees	Years	13	10.3	7.4	6.7	4	1	10

Status of Female Employees

Catagony	Unit 2021 2022 2023			3		2024	4				
Category	Offic	HDEC	HEC	HDEC	HEC	HDEC	HEC	Total	HDEC	HEC	Major Subsidiaries
Ratio of female management–level employees to total management–level employees	%	4.14	4.1	4.18	4.5	4.48	4.72	4.67	4.38	5.05	2,33
Ratio of female senior managers to total senior managers (as much as 2 levels beneath CEO)	%	2,51	0.7	2.76	1.4	2.86	1.771)	2.64	3.10	2.09	1,64
Ratio of female junior managers to total junior managers	%	6.75	5.5	6.55	7.9	7.37	8.33	7.86	6.82	9.05	3.45
Ratio of female employees in sales and profit departments/functions to total managers in sales and profit departments/functions	%	10,15	3,5	8.55	3.9	8.29	4.29	7,52	7.77	6.99	9.78
Ratio of female STEM positions to total STEM positions	%	9.43	9.6	14.06	8.9	14.05	14.54	14.09	13.23	15.02	0.00

^{* 2021~2023} Hyundai E&C and Hyundai Engineering data

^{*} In 2024, share of all management positions by nationality: Asia 100%, Others 0%

¹⁾ Including executives

²⁾ Domestic/Asia data not separated for 2021-2023

³⁾ Hyundai Engineering data not included for 2021–2022

¹⁾ Corrected due to data entry error

Social

Recruitment

Catamani			Unit	2021	2022	2023		2024		
Category			Unit	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries
Total recruitmen	nts		People	2,566	4,383	3,328	2,646	1,394	1,203	49
	Male	Number	People	2,083	3,598	2,821	2,208	1,168	999	41
Gender	Male	Ratio	%	81,18	82.09	84.77	83.45	83.79	83.04	83.67
Geridei	Female	Number	People	483	785	507	438	226	204	8
	remale	Ratio	%	18,82	17.91	15,23	16.55	16,21	16.96	16,33
	Under 30	Number	People	662	1,176	949	648	417	217	14
Age group	Under 50	Ratio	%	25,80	26,83	28,52	24.49	29.91	18.04	28,57
A ma mraun	30-49	Number	People	1,488	2,665	1,898	1,493	758	721	14
Age group	30-49	Ratio	%	57.99	60,80	57.03	56.42	54,38	59.93	28,57
	50 or over	Number	People	415	542	481	505	219	265	21
	50 or over	Ratio	%	16,17	12,37	14.45	19.09	15.71	22,03	42,86
	M	Senior manager	People	161	475	209	184	158	22	4
Level ¹⁾	Management	Junior manager	People	101	330	361	144	117	26	1
	Non-management		People	1,248	1,756	1,456	2,318	1,119	1,155	44
Proportion of in	ternal hires ¹⁾		%	62	54	54	83.02	82,22	83.75	83.93
Average cost of	employment ¹⁾		KRW	166,999	211,933	303,538	546,862	339,880	206,982	36,828 ²⁾

^{1) 2021~2023} Hyundai E&C and Hyundai Engineering data

²⁾ Only data from Songdo Landmark City among major subsidiaries included

Social

Turnover

	Category	Unit	2021	2022	2023	2024					
Category		Unit	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries		
Total turnover rate	1	%	22,46	21,13	16.74	19.40	19.92	18,68	24.92		
Caralan	Male	%	21,32	19.66	15.74	18,25	18.32	17.79	24.63		
Gender	Female	%	31,77	32,17	24.27	28.70	32,78	25.14	27,27		
	Under 30	%	42.18	36.91	28.54	31,14	31,44	30.95	34.78		
Age group	30-49	%	19.35	18.42	14.86	16.65	18.33	15.15	22.76		
	50 or over	%	25.89	22,77	16.60	22,21	18.22	25.48	54.79		
Voluntary turnover	r rate	%	6.59	8.94	5.95	4.74	4.48	4.48 4.97			

^{*} Restated to include both regular and contract employees for 2021–2023

Training

	Catamani	I I m i 4	2021	2022	2023		202	4	
	Category	Unit	Total	Total	Total	Total	HDEC	HEC	Major Subsidiaries
Total training hour	S	Hours	516,911	303,081	507,796	528,925	218,388	308,545	1,992
Training hours per	person	Hours/People	47.09	25,31	32,07	35.60	30.55	41.67	7
Gender	Male	Hours	178,376	141,586	439,602	462,237	192,340	268,534	1,363
Gender	Female	Hours	10,622	7,078	67,699	66,688	26,048	40,011	629
	Under 30	Hours	10,814	22,221	80,046	58,217	18,066	39,763	388
Age group	30-49	Hours	142,961	99,609	348,936	378,120	162,060	214,691	1,369
	50 or over	Hours	35,223	26,834	78,319	92,588	38,262	54,091	235
Total training inves	stment	KRW Million	5,398	5,249	5,040	4,973	2,046	2,913	14,29
Training investmen	nt per person	KRW Million/People	0.49	0.44	0,32	0,33	0.29	0.39	0.05
C	Male	KRW Million	1,608	1,636	1,795	4,389	1,817	2,562	10.49
Gender	Female	KRW Million	95	95	255	584	229	351	3,80
	Under 30	KRW Million	95	126	289	437	201	233	2,50
Age group ¹⁾	30-49	KRW Million	1,289	1,228	1,341	3,359	1,313	2,039	6.96
	50 or over	KRW Million	319	376	422	1,176	532	641	3.03

^{*} As some companies do not breakdown figures for training hours and training investments, the total sum of data may differ from total training hours and training investments 1) Hyundai Eco-Energy data not included for 2024

Number of employees who received regular performance evaluations

Category	Unit				2024			
Category	Offic	HDEC	HEC	HESI	HDCITY	SLC	HECO	HDFND
Total number of employees who received regular performance evaluations	People	6,478	7,440	192	23	8	C	30

Employee Compensation

	Catagoriu	l luit	202	1	2022	2	2023			2024	
	Category	Unit	HDEC	HEC ¹⁾	HDEC	HEC	HDEC	HEC	Total	HDEC	HEC
	Average male base salary	KRW	55,865,560	57,013,000	57,166,054	59,256,374	61,385,463	63,027,238	64,410,999	63,538,424	65,419,438
Management level	Average female base salary	KRW	49,184,763	52,952,000	53,218,868	55,764,923	56,021,703	58,817,540	59,655,634	58,600,422	60,710,845
Management level	Average male base salary + cash incentives	KRW	110,759,574	67,001,000	114,476,268	71,109,043	122,833,726	71,398,451	125,084,539	126,176,205	123,822,894
	Average female base salary + cash incentives	KRW	88,021,957	61,169,000	96,794,554	65,159,148	101,309,812	66,668,429	103,922,017	104,938,151	102,905,883
Non management level	Average male base salary	KRW	20,942,081	38,519,000	22,540,783	35,015,900	27,155,542	32,587,786	33,440,199	28,656,185	37,195,441
Non-management level	Average female base salary	KRW	16,397,427	29,754,000	16,959,208	29,124,297	22,806,693	24,193,909	28,198,318	22,727,404	32,881,115

^{*} Salary figures are based on actual payments (as recorded in the payroll ledger) and calculated for all employees who received salaries, including all employment types (regular, contract, and non-regular employees)
** Figures for 2021–2023 have been restated due to changes in the calculation method (combined total of regular and contract employees)

¹⁾ Amounts under 1,000 KRW have been rounded down to zero

Social

Employee Engagement

Category	Unit	202		203	22	20	23	20	24
Category	Unit	HDEC	HEC	HDEC	HEC	HDEC	HEC	HDEC	HEC
Employee engagement	%, Score	63,3	61,3	67.7	60.2	75.4	72.9	77.1	75.1

^{*} The Engagement Survey was renewed in 2023 with data only being for positive response rates up to 2022 and for engagement score starting from 2023

Safety

Cotomorni		11		2021			2022			2023			2024	
Category		Unit	Total	HDEC	HEC									
Lost time injury frequency rate (LTIED)1)	Employee	Cases/million hours worked	0.118	0.142	0.011	0.240	0.327	0.002	0.290	0.413	0.006	0.179	0.529	0.009
Lost time injury frequency rate (LTIFR) ¹⁾	Supplier	Cases/million hours worked	1,601	1.695	0.974	1,770	1,982	0.984	2.022	2.254	1,168	2.061	2.741	1,489
Number of fatalities	Employee	People	0	0	0	0	0	0	0	0	0	1	1	0
Number of fatalities Supplier		People	7	5	2	6	3	3	6	3	3	4	2	2

^{*} The accident rate for 2024 is as of March 31, 2025, and may be updated after final figures for industrial accident calculations are confirmed by the Ministry of Employment and Labor.

Customer Satisfaction

	Category	Unit	2021	2022	2023	2024
HDEC	Customer satisfaction survey on quality	Points	84	81	81	84
HEC	Satisfaction level of project–issuing customers	Points	85	87	86	83

Return on Investment (ROI) in Human Capital¹⁾

Category	Unit	2021	2022	2023	2024
Total revenue from human capital investment ²⁾	KRW Million	18,065,534	21,239,082	29,651,357	32,670,268
Operating expenses for human capital investment ³⁾	KRW Million	16,268,298	19,726,334	27,948,549	32,887,201
Employee-related expenditures (employee salaries) ⁴⁾	KRW Million	1,178,686	1,331,555	1,484,579	1,564,787
Human capital ROI ⁵⁾		2.52	2.14	2,15	0.86

¹⁾ Recalculated 2021–2023 data by aggregating employee-related expenditures of Hyundai E&C and Hyundai Engineering

^{*} Hyundai E&C and Hyundai Engineering data

¹⁾ Lost Time Injury Frequency Rate = (Number of incidents with lost time × 1,000,000 (Hours)) / annual working hours

²⁾ Total revenue based on consolidated financial statements

³⁾ Total operating expenses based on consolidated financial statements

⁴⁾ Total annual salary as disclosed in the business report

^{5) [}Total Return on Human Capital Investment - (Operating Expenses for Human Capital Investment - Employee-Related Expenditures)] / Employee-Related Expenditures

Governance

Board of Directors

Catamami				Unit				2024			
Category				Unit	HDEC	HEC	HESI	HDCITY	SLC	HECO	HDFND
	Number of board men	mbers		People	7	6	3	3	3	5	3
	Inside directors			People	3	2	1	1	1	1	1
	Independent directors	5		People	4	4	0	0	0	0	0
Board composition	Non-executive directo	or		People	0	0	2	2	2	4	2
Board Composition	Independent director	ratio		%	57.14	66.67	0	0	0	0	0
			Male	People	6	5	3	3	3	5	3
	Board diversity	Gender	Female	People	1	1	0	0	0	0	0
			Female ratio	%	14.29	16.67	0	0	0	0	0
Board operations	Independent director	attendance rate		%	100	100	100	100	100	100	100
Average tenure of boo	ard member			Years	3	2,8	2,30	2,1	2,33	1,30	4.20

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IFRS S1 (General Requirements)

Ca	ategory	Metrics Metrics	Page
		A description of the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities	19, 30, 39, 52
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		How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities	39, 98
		How the body(s) or individual(s) is informed about sustainability-related risks and opportunities	39
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overnance		How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets	19, 39
		Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities	19
		Whether the role is delegated to a specific management-level position or management-level committee	19
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		Describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects	21, 26
	ustainability related	Specify the time horizons—short, medium or long term—over which the effects of each of those sustainability–related risks and opportunities could reasonably be expected to occur;	31, 40, 43, 53
	isks and opportunities	Explain how the entity defines 'short term,' 'medium term' and 'long term'	21, 31, 40, 43, 53
• !		How these definitions are linked to the planning horizons used by the entity for strategic decision–making	40
_		A description of the current effects of sustainability-related risks and opportunities on the entity's business model and value chain	21, 31-33, 40, 45-47, 53-55
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VC	aide criairi	A description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated	21, 40, 43
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	trategy and decision naking	The progress against plans the entity has disclosed in previous reporting periods, including quantitative information	38, 50, 59
	naking	The progress against plans the entity has disclosed in previous reporting periods, including qualitative information	38, 50, 59
ategy		Trade-offs between sustainability-related risks and opportunities that the entity considered	-
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_		A qualitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks	44-46
R	Resilience	(if applicable), a quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks	_

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	How the entity has changed the processes it uses compared with the previous reporting period	25-26
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vernance		Whether the body or individual(s) has considered trade-offs associated with climate-related risks and opportunities, when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies	-
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		The type of carbon credit	-
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	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	7.53, 7.53.1, 7.53.2, 7.53.4, 7.54, 7.54.1, 7.54.2	51

SASB Index

Topic	Code	Metric	Description
	IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards, and regulations	As of 2024, there have been no confirmed penalties imposed on Hyundai E&C due to violations of environmental laws under the company's name.
Environmental impacts of project development	IF-EN-160a,2	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction	To assess the impact on the surrounding environment prior to project initiation, Hyundai E&C conducts continuous monitoring such as environmental impact assessments to minimize the negative effects of the entire project process on the environment. In addition, we carry out strict environmental management through training and emergency drills. In 2023, we conducted on-site environmental evaluations at 100 sites, initial support at 15 newly opened sites, and a special inspection at one site.
Structural integrity &	IF-EN-250a.1	Amount of defect– and safety–related rework costs	As of 2024, the total defect maintenance cost was KRW 929.23 billion (consolidated basis), and it was disclosed transparently in the 75th Hyundai E&C Business Report.
safety	IF-EN-250a,2	Total amount of monetary losses as a result of legal proceedings associated with defect– and safety related incidents	As of 2024, there were three finalized safety-related lawsuits and fifteen defect-related lawsuits. The total confirmed judgment amount related to Hyundai E&C was KRW 8.7 billion.
Employee health and safety	IF-EN-320a,1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	The safety management indicators are disclosed in detail in the Safety Management Indicators (p.38) and Sustainability KPI & Target(p.22) section of this report.
Lifecycle impacts	IF-EN-410a,1	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	(1) As of 2024, a total of 45 projects acquired new certifications for Green Building or LEED (44 Green Building Certifications and 1 dual certification with LEED). (2) A total of 62 projects are in progress for Green Building or LEED certification (60 Green Building Certifications and 2 LEED Certifications).
of buildings and infrastructure	IF-EN-410a.2	Discussion of process to incorporate operational phase energy and water efficiency considerations into project planning and design	To increase energy efficiency, we apply and operate high-performance insulation materials, high-efficiency lighting (LED), and solar renewable energy production facilities in building design. In addition, we aim to reduce water consumption by using high-efficiency spray equipment to control fugitive dust and have established a water reuse manual to enhance water use management at construction sites.
Climate impacts of	IF-EN-410b.1	Amount of backlog for (1) hydrocarbon related projects and (2) renewable energy projects	(1) As of 2024, there are 12 hydrocarbon-related projects (1 domestic, 11 overseas), with a total order backlog of KRW 8.018 trillion. (2) There are 6 renewable energy-related projects (4 domestic, 2 overseas), with an order backlog of KRW 27.3 billion.
Climate impacts of business mix	IF-EN-410b.2	Amount of backlog cancellations associated with hydrocarbon-related projects	There are no relevant projects cancelled in 2024.
	IF-EN-410b.3	mount of backlog for non-energy projects associated with climate change mitigation	As of 2024, the order backlog for non-energy projects related to climate change mitigation amounted to KRW 4,979 trillion.
	IF-EN-510a.1	1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	As of 2023, there were five projects in countries ranked in the bottom 20 of the Corruption Perception Index (4 in Libya and 1 in Myanmar), with a total order backlog of KRW 729.7 billion.
Business ethics	IF-EN-510a.2	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices	As of 2024, no fines, penalties, or settlements occurred due to bribery, corruption, or anti-competitive practices.
	IF-EN-510a.3	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti- competitive behavior in the project bidding processes	To effectively operate the ethics and compliance management system, Hyundai E&C has established detailed regulations based on the revised "Ethics Charter and Code of Practice" (2020), aligned with five core principles. In 2021, we revised the anti–corruption and counterparty due diligence regulations and established five internal regulations for whistleblower protection, competition law, anti–money laundering and terrorism financing, anti–slavery and human trafficking (human rights), and international sanctions compliance. We operate an anti–corruption management system based on ISO 37001 certification.
	IF-EN-000.A	Number of active projects	As of the end of 2024, Hyundai E&C was operating 131 domestic and 45 overseas sites.
Activity metrics	IF-EN-000.B	Number of commissioned projects	As of 2024, 66 domestic and 11 overseas projects were completed (based on completion statement issuance and Taking–Over Certificate).
	IF-EN-000.C	Total order backlog	As of 2024, the total order backlog was KRW 95,9247 trillion (consolidated basis), consisting of KRW 69,9637 trillion in Korea and KRW 25,9610 trillion overseas.

2025 HYUNDAI E&C Sustainability Report

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UNGC

10 Principles of the United Nations Global Compact

Hyundai E&C not only actively supports the ideology of the UNGC but also faithfully complies with its Ten Principles through various internal policies and activities, while actively participating in UNGC initiatives.

Category	Code	Measurement Indicators	Description
	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	 As a member of the UNGC, Hyundai E&C supports the 'Guiding Principles on Business and Human Rights' and practices human rights management accordingly. In 2020, Hyundai E&C fully revised its Human Rights Charter to express its commitment to protecting the rights of all stakeholders, including employees, suppliers, and local
Human rights	Principle 2	make sure that they are not complicit in human rights abuses.	communities. In August 2022, Hyundai E&C established a Diversity & Inclusion (D&I) Policy to foster an organizational culture where diverse talents can combine creative and challenging thinking.
	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	
Labor	Principle 4	the elimination of all forms of forced and compulsory labor	• Hyundai E&C operates a labor–management council and holds regular meetings to consult and make decisions on working conditions, thereby promoting sound development based on cooperation between labor and management.
	Principle 5	the effective abolition of child labor; and	• Hyundai E&C prohibits all forms of forced labor and child labor, and does not tolerate discrimination based on gender, age, race, or disability.
	Principle 6	the elimination of discrimination in respect of employment and occupation.	
	Principle 7	Businesses should support a precautionary approach to environmental challenges;	• Under the eco-friendly management vision "Global Green One Pioneer," Hyundai E&C has established and continues to improve environmental management policies
Environment	Principle 8	undertake initiatives to promote greater environmental responsibility; and	that apply across all business areas, including distribution, logistics, due diligence, M&As, and other key business partners, responding to global environmental trends and regulations. Additionally, In March 2023, the company distributed the Environmental Business Guide Map to standardize forms related to eco-friendly practices and reflect
	Principle 9	rage the development and diffusion of environmentally friendly technologies.	changes in environmental laws and regulations.
			• In 2021, Hyundai E&C revised its compliance regulations under the Anti-Corruption Act and has conducted standard due diligence on counterparties since January 2022, building stakeholder trust through compliance and ethics management as a responsible corporate citizen.
Anti- corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	• All employees and executives annually sign an "Ethics Management Pledge," and receive ethics and compliance training tailored by department, business unit, and job grade, covering domestic and international anti–corruption laws, the company's anti–corruption management system, and policies.
			• Hyundai E&C operates the Cyber Audit Office as a reporting and consultation channel for violations of ethics such as corruption, processing reported cases through internal procedures under the principle of whistleblower protection.

Greenhouse Gas Verification Statement



2025 HYUNDAI E&C Sustainability Report

Scope 1 and 2 greenhouse gas emissions from domestic sites of Hyundai E&C in 2024

SOCIAL

This Assurance Statement has been prepared for Hyundai Engineering & Construction Co., Ltd.

Terms of Engagement

LRQA was commissioned by Hyundai Engineering & Construction Co., Ltd, Hyundai E&C) to provide independent assurance on its Greenhouse Gas (GHG) Inventory Report for the calendar year 20 2 4 (the report) against the guidelines for t arget m anagement" using "the verification guidelines for GHG emissions trading system". The report relates to direct GHG emissions and energy indirect GHG emissions.

Management Responsibility

LROA's responsibility is only to

Hyundai E&C . LRQA disclaims any liability or responsibility to others as explained in the end footnote. The management of Hyundai E&C is responsible for preparing the report and for maintaining effective internal controls over all the data and information within the report, Ultimately, the report has been approved by, and remains the responsibility of Hyundai E&C

LRQA's Approach

LRQA's assurance engagement has been carried out in accordance with our verification procedure using "the verification quidelines for GHG emissions trading system" to reasonable level of The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- · Visiting sites and auditing management system to control the data and records regardin g GHG emissions and energy uses
- Interviewing the relevant persons responsible for managing and maintaining data and associated records
- Reviewing the historical data and information back to source for the calendar year 2024

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a reasonable level of assurance, and at the materiality of the professional judgement of the verifier and at the materiality level of 5%.

LRQA's Opinion

Based on LRQA's approach, we believe that the report is prepared in accordance with "the guidelines for target management" using the verification guidelines for GHG emissions trading system" and the GHG emissions data in the Table 1 is materially correct.

▲ Table1, Summary of GHG emissions (Unit: tCO₂eq)

Scope of GHG emissions	Year 2024
Direct GHG emissions	16,985.686
Energy indirect GHG emissions	69,323.324
Total GHG emissions	86,306

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The Korean version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated

This Assurance Statement is only valid when published with the report to which it refers, It may only be reproduced in its entirety,

2F T Tower, 30, Sowol-ro 2 gil, Jung gu, Seoul, 04637, Korea LROA Reference: SEO6051437



^{*} For Hyundai Engineering's greenhouse gas verification statement, please refer to Hyundai Engineering's Sustainability Management Report

IL HYOUNG LEE Dated: 26. Mar 2025 LRQA

Greenhouse Gas Verification Statement

Scope 1,2 and 3 greenhouse gas emissions from overseas sites of Hyundai E&C in 2024

SOCIAL

This Assurance Statement has been prepared for Hyundai Engineering & Construction Co., Ltd. in accordance with our contract.

Terms of engagement

LRQA was commissioned by Hyundai Engineering & Construction Co., Ltd. (Hyundai Engineering & Construction) to provide independent assurance on its GHG emissions inventory for the calendar year 2024 (here after referred to as "the report") against the assurance criteria below to a limited level of assurance and materiality of 5% using ISO 14064-3:2019, 'Specification with guidance for the verification and validation of greenhouse gas statements'.

Our assurance engagement covered the domestic and overseas operations and activities of Hyundai Engineering & Construction, and specifically the following requirements:

- Evaluating conformance with World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, revised edition¹⁾
- ► Evaluating conformance with Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Evaluating the accuracy and reliability of data and information for direct GHG emissions (Scope 1) and energy indirect GHG emissions (Scope 2) in operations of overseas construction sites²⁾
- Evaluating the accuracy and reliability of data and information for other indirect GHG emissions (Scope 3) in domestic and overseas construction sites.

The main activities of Hyundai Engineering & Construction include construction of Infrastructure, building, housing and plant, and the GHG emissions have been consolidated using operational control approach.

LRQA's responsibility is only to Hyundai Engineering & Construction. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Hyundai Engineering & Construction's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Hyundai Engineering & Construction.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that Hyundai Engineering & Construction has not, in all material

- Met the requirements above; and
- Disclosed accurate and reliable data and information as summarized in Table 1

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of 5%.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Interviewing key people of the organization responsible for managing GHG emissions data and records;
- Reviewing processes related to the control of GHG emissions data and records;
- Reviewing whether GHG emissions have been calculated with parameters from recognized sources;
- ► Visiting Hyundai Engineering & Construction's head office and reviewing additional evidence made available by Hyundai Engineering & Construction; and
- Verifying historical GHG emissions data and records at an aggregated level for the calendar year 2024.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 General principles and requirements for bodies validating and verifying environmental information and ISO/IEC 17021 Conformity assessment - Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is Hyundai Engineering & Construction's certification body for ISO 9001, ISO 14001, ISO 45001 and ISO 50001, and verification body for its GHG emissions. We also provide Hyundai Engineering & Construction with a range of training services related to management systems. The verification and certification assessments, together with the training, are the only work undertaken by LRQA for Hyundai Engineering & Construction and as such does not compromise our independence or impartiality.

Byung-Gil Lim Dated: 23 May 2025 LRQA Lead Verifier On behalf of LRQA 2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea

LROA reference: SEO6051437

▲ Table 1. Summary of Hyundai Engineering & Construction Co., Ltd., **GHG Emissions Inventory 2024**

Scope of GHG emissions	tCO₂e
Direct GHG emissions (Scope 1) – overseas construction sites	120,464
Energy indirect GHG emissions (Scope 2, Location-based) – overseas construction sites	43,911
Other Indirect GHG emissions (Scope 3)	
purchased goods & services – operation of construction equipment by subcontractors and production of construction materials purchased in domestic and overseas sites	2,236,489
capital goods – production of electronic devices and home appliances purchased in domestic and overseas sites	246
• fuel and energy related activities – upstream emissions of fuel and electricity purchased in domestic and overseas sites	46,943
• upstream transportation and distribution – transportation of ready–mix concrete in domestic sites and construction materials purchased in overseas sites	58,879
· waste generated in operations – treatment of waste generated from domestic operations	34
· business travel – personal cars and trains in domestic travel, and international flights	2,928
$\boldsymbol{\cdot}$ employee commuting – commuting to the headquarters by personal cars and buses	429
use of sold products – use phase of residential, industrial, commercial and other service buildings and facilities constructed in domestic and overseas sites	2,653,096
 end-of-life treatment of sold products – end-of-life treatment of residential, industrial, commercial and other service buildings and facilities constructed in domestic and overseas sites 	177,996
• investments – Scope 1 and Scope 2 emissions of 22 companies in which Hyundai Engineering & Construction has shares	21,422

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1) https://www.ghgprotocol.org

2) This assurance engagement excludes verification of Scope 1 and 2 emissions for domestic operations in accordance with our contract with Hyundai Engineering & Construction, Scope 1 and Scope 2 GHG emissions for domestic operations of Hyundai Engineering & Construction have been verified using an operational control approach for the same reporting period by LRQA in accordance with the guidelines on target management under GHG target management system of Korea,

Third-party Assurance Statement

To readers of 2025 HYUNDAI ENGINEERING & CONSTRUCTION SUSTAINABILITY REPORT

Korea Management Registrar (KMR) was engaged to conduct an independent assurance of 2025 HYUNDAI ENGINEERING & CONSTRUCTION SUSTAINABILITY REPORT for the year ending December 31, 2024. The preparation, information and internal control of the report are the sole responsibility of Hyundai Engineering & Construction's the management, KMR's responsibility is to comply with the agreed engagement and express an opinion to Hyundai Engineering & Construction's management.

Subject Matter

Hyundai Engineering & Construction described the sustainability performance and activities of the organization and its major consolidated subsidiaries in the Report, Our assurance team carried out verification for the following:

2025 HYUNDAI ENGINEERING & CONSTRUCTION SUSTAINABILITY REPORT

Reference Standard

GRI Standards 2021: 2023 (GRI)

Assurance criteria

KMR conducted the verification in accordance with the globally recognized standard AA1000AS v3 and KMR's assurance standard SRV1000 based on requirements of ISO 17029 and KMR EDV 01, and set the levels of assurance and materiality as below. Under AA1000AS v3, We assessed the adherence to the four principles presented in AA1000AP:2018—Inclusivity, Materiality, Responsiveness, and Impact—and evaluated the reliability and quality of the data and information using the GRI index specified in the report. Under SRV1000, we conducted a multidimensional review aimed at zero data errors, applying expert judgment to determine the materiality criteria,

- ► ISO 17029: 2019, ISO 14065: 2020, AA1000AS v3: 2020 (AccountAbility), AA1000AP: 2018 (AccountAbility), SRV1000: 2022 (KMR), KMR EDV 01: 2024 (KMR)
- ► Levels of assurance/materiality: AA1000AS v3 Type 2/moderate, limited/ not set

Scope of assurance

The scope of our assurance included the verification of compliance with the reporting requirements of the GRI Standards 2021. We confirmed that the following indicators of material topics were identified through the materiality assessment process.

- ► GRI Standards 2021 reporting principles
- Universal Standards
- ▶ Topic Specific Standards

-GRI 205: Anti-corruption -GRI 201: Economic Performance -GRI 206: Anti-competitive Behavior -GRI 302: Energy

-GRI 303: Water and Effluents -GRI 305: Emissions

-GRI 306: Waste -GRI 308: Supplier Environmental Assessment

-GRI 401: Employment -GRI 403: Occupational Health and Safety

-GRI 414: Supplier Social Assessment

As for the reporting boundary, the engagement excludes the data and information of Hyundai Engineering & Construction's partners, suppliers and any third parties.

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the

- Evaluating the appropriateness of the reference standard used as a basis for preparing sustainability information and the reliability of the materiality assessment process and its
- Conducting inquiries to understand the data management and control environment, processes, and information systems (the effectiveness of controls was not tested);
- Evaluating the appropriateness and consistency of the methodology for estimation (note that the underlying data was not tested and KMR has not made any estimates);

- Visiting the headquarters, determining visit sites based on the site's contribution to sustainability and the possibility of unexpected changes since the previous period and sampling data, and carrying out due diligence on a limited number of source records at the sites visited:
- Interviewing people in charge of preparing the report;
- Considering whether the presentation and disclosures of sustainability information are accurate and clearly defined;
- Identifying errors through comparison and check against underlying information, recalculation, analyses, and backtracking; and
- Evaluating the reliability and balance of information based on independent external sources, public databases, and press releases,

Limitations and Recommendations

The absence of generally accepted reporting frameworks or well-established practices on which to draw to evaluate and measure non-financial information allows for different measures and measuring techniques, which can affect comparability between entities. Therefore, our assurance team relied on professional judgment, The scope of this assurance included the confirmation of the truthfulness of claims regarding results that have already been obtained as stipulated by ISO 17029. However, the plausibility of intended claims of forecasts or hypotheses was not validated even if the related content was contained in the report,

A limited assurance evaluates the appropriateness of the criteria used by Hyundai Engineering & Construction for preparing sustainability information on subject matters, the risk of material misstatement in the sustainability information, whether due to fraud or error, responses to risks, and disclosure of the sustainability information on subject matters. However, the scope of the risk assessment process and the subsequent procedures performed in response to assessed risks, including an understanding of internal controls, is more limited than that of a reasonable

Our assurance team conducted our work to a limited extent through inquiries, analysis, and limited sampling based on the assumption that the data and information provided by Hyundai Engineering & Construction are complete and sufficient. To overcome these limitations, we confirmed the quality and reliability of the information by referring to independent external sources and public databases, such as DART and the National GHGs Management System

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with Hyundai Engineering & Construction on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report was prepared in accordance with the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

- Inclusivity
- Hyundai Engineering & Construction has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies,
- Materiality

Hyundai Engineering & Construction has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

Responsiveness

Hyundai Engineering & Construction prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of Hyundai Engineering & Construction's actions.

Hyundai Engineering & Construction identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

2025 HYUNDAI E&C Sustainability Report

▶ Reliability of Specific Sustainability Performance Information In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable, Any intentional error or misstatement is not noted from the data and information disclosed in the Report,

KMR's Competence, Independence, and Quality Control

Korea Management Registrar (KMR) is a verification body for the greenhouse gas emissions trading scheme, accredited by the Korea Laboratory Accreditation Scheme (KOLAS) under the National Institute of Technology and Standards of Korea for ISO/IEC 17029:2019 (Conformity Assessment - General principles and requirements for validation and verification bodies), ISO 14067, and additional accreditation criteria, ISO 14065. It is also recognized by the Korea Accreditation Board (KAB) for ISO/IEC 17021:2015 (Requirements for bodies providing audit and certification of management systems), and the National Institute of Environmental Research under the Ministry of Environment of Korea, Additionally, KMR maintains a comprehensive quality control system that includes documented policies and procedures of the KMR EDV 01:2024 (ESG Disclosure Assurance System) based on ISO/IEC 17029 requirements and compliant with IAASB ISQM1:2022 (International Standard on Quality Management 1 by the International Auditing and Assurance Standards Board), Furthermore, KMR adheres to the ethical requirements of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior in accordance with the IESBA Code:2023 (International Code of Ethics for Professional Accountants), Our assurance team consists of sustainability experts. Other than providing an independent assurance, KMR has no other contract with Hyundai Engineering & Construction and did not provide any services to Hyundai Engineering & Construction that could compromise the independence of our work,

Limitations of Use

This assurance statement is made solely for the management of Hyundai Engineering & Construction for the purpose of enhancing an understanding of the organization's sustainability performance and activities. We assume no liability or responsibility for its use by third parties other than the management of Hyundai Engineering & Construction, The statement is valid as of the assurance date below. Certain events that may occur between the assurance date and the time of reading this report could have a material impact on the report, which may lead to revisions to this assurance statement. Therefore, we recommend visiting the Hyundai Engineering & Construction website and verifying whether this is the latest version.

CEO E,J Hwang

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Memberships and Awards

2024 Memberships

Hyundai E&C continuously reviews and oversees its participation in associations. We monitor every association to which we belong for potential violations of the Paris Agreement, applying this oversight across all business units. If a breach is confirmed, the matter is reported to the management, and Hyundai E&C may withdraw its membership, withhold support, or reconsider its affiliation. As of December 2024, no associations have been found in material violation of the Paris Agreement.

	Memb	erships		
Construction Association of Korea	Korea Nuclear Society	Korea Construction Transport New- technology Association	Korean Geotechnical Society	
International Contractors Association of Korea	Korea Industrial Technology Association	Korea Road Association	Korea Investor Relations Service	
Korea Chamber of Commerce and Industry	Korea Institute of Plant Engineering and Construction	Korea Proptech Forum	Korea Electrical Engineers Association	
Korea Construction Management Association	Korea Railway Association	Korea Military Contractors Association	Korean Institute of Illuminating and Electrical Installation Engineers	
Korea Enterprises Federation	Korea Fire Facility Association	Korea Developer Association	Korea Society of Geothermal Energy Engineers	
Korea Plant Industries Association	Korea Remodeling Association	Korea National Committee on Large Dams	Korea Construction Environment Association	
Korea Atomic Industrial Forum	Fair Competition Federation	Korea Institute of Construction Safety	Construction Safety Manager Committee	
Korea Electrical Contractors Association	The Society of Air–Conditioning and Refrigerating Engineers of Korea	Korea Institute of Fire Science and Engineering	KOSHA18001 Construction Council	
Korea Nuclear Association for International Cooperation	Korean Society of Transportation	Korea Concrete Institute	Korea Mechanical Construction Contractors Association	
Korea Housing Association	Korea Wind Energy Industry Association	Building Smart Korea	Construction Management Association of Korea	
UNGC Network Korea	Corporate Renewable Energy Foundation	Korean Radioactive Waste Society	Korea Institute of Information and Telecommunications Facilities Engineering	
Korea Information and Communications Contractors Association	Korea Ports and Harbors Association	Korea Aggregates Association	Korea Institute of Electrical and Electronic Material Engineers	
Korea Listed Companies Association	Korea Engineering & Consulting Association	Korean Society of Living Environmental System	Construction Healthcare Institute	
CDP Operations Limited	Korea Advertisers Association	Korean Recycled Construction Resources Institute		
Korea Exchange	Construction Vision Forum	Korean Institute of Electrical Engineers		
Korea Gas Union	Korea Management Association	Korea Association for Chief Financial Officers		

Management System for Association Memberships¹⁾

Hyundai E&C supports the objectives of the Paris Climate Agreement and participates in policy initiatives that promote science–based GHG reductions. To ensure transparency and accountability, membership fees for climate–related associations are managed under the company's internal policy for management of associations. Furthermore, Hyundai E&C takes part in key decision–making and policy activities of climate–related industry associations and regularly evaluates whether these activities align with the spirit of the Paris Agreement. We also collaborate with associations, organizations, and local partners in overseas markets to facilitate technology exchange and community contribution programs. Hyundai E&C monitors activities for alignment with the goals of the climate agreement and raises objections to those that do not comply.

1) Manage association activities not only at domestic business sites but also across all jurisdictions where Hyundai E&C has operations, including all overseas subsidiaries, based on a management system that includes executive leadership.

2024 Awards

Host	Award	Category
WSH Council (Singapore Workplace Safety and Health Council / under Ministry of Manpower)	WSH SHARP Awards 2024	Safety and Health Award Recognition for Projects 2024
Korea Institute of Civil Engineering and Building Technology, building SMART Korea	BIM AWARDS 2024	Grand Prize (President of KICT Award)
Ministry of Land, Infrastructure and Transport	2024 Smart Construction Challenge	Best Innovation Award in Smart Technology (BIM Category)

Host	Award	Category
MoneyToday	2024 Overseas Construction Awards	Excellence Award in Architecture
Ministry of Land, Infrastructure and Transport	2024 Korea Green Architecture Awards	Minister of Trade, Industry and Energy Award (Completed Projects Category)
Ministry of Land, Infrastructure and Transport	2024 Korea Green Architecture Awards	Minister of Environment Award (Completed Projects Category)
Gyeonggi Province	29th Gyeonggi Architecture Culture Awards	Gold Prize (Use Approval Category)
Korea Institute of Architects	47th Korea Institute of Architects Awards 2024	Association President Award
Seongnam City	1st Seongnam Architecture Awards	Grand Prize
DESIGNSORI	2024 Asia Design Prize	Winner
Hankyung Business	20th Well-being Apartment Awards	Spatial Innovation Category
Newsway	2024 Urban Regeneration Housing Brand Awards	Grand Prize (Non–Capital Region)
The Korea Economic Daily	2024 First Half Housing Culture Awards	Grand Prize
Maeil Business Newspaper	28th Livable Apartment Contest	Grand Prize
Energy Economy News	10th High–Efficiency Green Housing and Construction Equipment Awards	Grand Prize
MoneyToday	2024 Korea Luxury Housing Awards	Excellence Award (General Large Apartment)
Korea Standards Association	2024 KS Premium Brand Index	No,1 in Multi-Family Housing Category
Korea Standards Association	2024 KS Premium Brand Index	No.1 in High–End Residential Category
Korea Standards Association	2024 KS Premium Brand Index	No.1 in Smart Home Services Category
Seoul Economic Daily	2024 Korea Architecture Culture Awards	Special Prize (Architecture Culture Promotion)
Edaily	2024 Construction Industry Awards	KRIHS Award (Architectural Design Category)
Seoul Newspaper	2024 Korea Green Construction Awards	Grand Prize (Architecture Category)
The Economist	2024 Eco-friendly Construction Industry Awards	Eco-friendly Complex Category
eToday	2024 Smart Construction Industry Awards	Grand Prize (Residential Innovation Category)
Asia Economy	2024 Asia Today Green Construction Awards	Residential Innovation Category
Aju Business Daily	2024 Aju Business Construction Awards	Grand Prize (Residential Innovation Category)
MoneyToday	2024 Korea Housing Services Awards	Grand Prize (Private Sector)
Asia Economy	2024 Asia Construction Grand Awards	Representative Award (Brand Category)
The Korea Economic Daily	2024 Korea Representative Apartment Awards	Grand Prize (Community Environment Category)
RedDot (DZNW)	2024 Red Dot Award	Winner
Korea Standards Association	2024 Korea Quality Satisfaction Index	No.1 in High–End Residential Category
Korea Color Universal Design Association	5th KCUD Awards 2024	Grand Prize (Environmental Sector)
Korea PR Association	32nd Korea PR Awards 2024	Excellence Award (Internal Communication Category)
Maeil Business Newspaper	20th Civil Engineering & Architecture Technology Awards	Excellence Award (Mixed-use Architecture Category)
Ministry of Land, Infrastructure and Transport / Korea Landscape & Urban Planning Institute	14th Korea Landscape Awards 2024	Presidential Award
Korea Institute of Design Promotion	2024 Good Design Korea	Bronze Award
Korea Institute of Design Promotion	2024 Good Design Korea	Selection Certificate
Korean Society of Color Studies	22nd Korea Color Awards	Green (Environmental Space) Award
DESIGNSORI	K-DESIGN AWARD 24	Winner
International Contractors Association of Korea	Overseas Construction Plant Day	Silver Tower Order of Industrial Service Merit
Ministry of Trade, Industry and Energy	61st Trade Day	Order of Industrial Service Merit
Ministry of Trade, Industry and Energy	Plant Export Expansion Merit	Minister Award
Korea Plant Industries Association	Plant Person of the Year	Association President Award
Ministry of Land, Infrastructure and Transport	Construction Day	Minister Award
Daehan Economy	2024 Daehan Economy Construction Awards	Plant Sector
Asia Economy	Apartment Brand Awards	High-End Category
The Korea Economic Daily	Second Half Hankyung Housing Culture Awards	Residential Innovation Award
Herald Business	Dream House Awards	Mayor of Seoul Award
		.,

Preparation of the report

Organization of the Sustainability Steering Committee

Executive Council		Working Group		
IR Group	Kim Jin-Hong	Sustainability Management Team	Kim Se-Won	Ahn Cheol-Ho
Business Planning Group	Seong Wan-Sang	Business Strategy Team	Park Dae-Gyun	Koh Tae-Ik
Global Marketing Support Group	Noh Jae-Hak	Planning & External Affairs Team	Ban Ju-won	Jeong Hak-Pyeong
Infrastructure Support Group	Kim Kee-Young	Infrastructure Management & Administration Team	Hong Jae-Hyuk	Park Gang-Uk
Housing Works Support Group	Lim Ji-Hong	Housing Works Management & Administration Team	Cho Hyeok-Jun	Lee Eui-Sang
Plant Support Group	Im Jae-Yong	Plant Management & Administration Team	Park Beom-Su	Lee Jae-Uk
NewEnergy Business Planning Group	An Chan-Ho	NewEnergy Planning Team	Park Jun-Yung	Han Ju-No
Research Planning Group	Lee Seong-Cheol	Research Planning Team	Yun Je-Seong	Im Chang-Geun
Quality Strategy Group	Park Se-Jin	Q-Strategy Team	Lee Seung-II	Do Jeong-Ho
Safety Execution Support Group	Kim Je-Young	Environmental Management Team	Gwak Hun	Hong Hyun-Jong
Development Strategy Group	Mun Min-Ho	Development Strategy Planning Team	Cho Seong-Yun	Lee Jun-O
Safety Planning Group	Im Byung-Chun	Safety Planning Team	Im Seung-Jin	Yang Jeong–Seok
Business Support Group	Kwon Seong-Jun	Business Support Team	Kim Hyeon-Woo	Park Sung-Soo
Human Resources Management Group	Kim Min-Gyu	HR Improvement Team	Hong Seong-Ho	Moon Ji-Young
Public Relations Group	Lee Young-Ho	PR Planning Team	Lee Sun-Young	Kim Sang-Uk
Procurement Planning Group	Kim Ki-Hong	Global Cooperation Team	Kim Jeong-Ki	Kim Min-Seung
Culture Design Lab	Kim Yun	-	-	Joo Sung-Hoon
Legal Affairs Group	Min Ki-Hong	Compliance Team	Moon Ji-Hui	Kim Seong-Ik
Auditing Group	Lee Je-ju	Auditing Team 1	Kim Yang-su	Cho Won-Gyun

Hyundai E&C Consolidated Organization of the Sustainability Steering Committee

Sustainability Management Team	Kim Min-Seok	Min Ju-Hwa
		IMIII Ju-riwa
Finance & Accounting Team	Lee Hoon	Yang Hyun-Woo
Management & Administration Team	Park Kyoung-Hoon	Yeo Sang-Hyeon
-	-	Shin Suk-Nyeo
Business Management Team	Hur Kang-Hoe	Kang Young-Ju
-	-	Yoo Jun-Ho
	Management & Administration Team - Business Management Team	Management & Administration Team Park Kyoung-Hoon Business Management Team Hur Kang-Hoe

APPENDIX

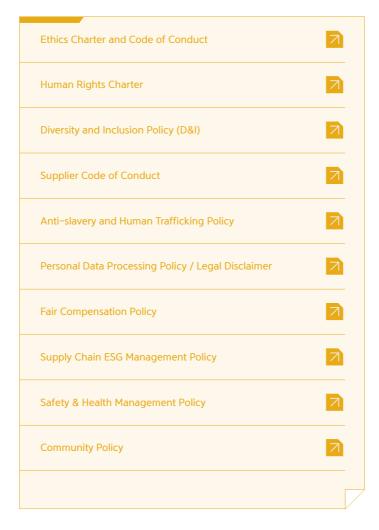
ESG Policies and Norms

Click a policy or norm for further details.

ENVIRONMENTAL



SOCIAL



GOVERNANCE

Corporate Governance Charter	7
Regulations of the Board of Directors and Committees	7
HDEC Regulations for Fair Trade Compliance Program (CP)	
Competition Compliance Policy	7
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APPENDIX

2025 HYUNDAI E&C Sustainability Report

The definitions of the terms on this page have been prepared with reference to various international and domestic standards and official documents, including the UNGC, GHG Protocol, GRI, and the Ministry of Environment's Operation Guidelines for the Greenhouse Gas Emissions Trading Scheme.

Sustainable Management	Business activities that pursue long-term corporate value along with overall environmental and social sustainability
ESG (Environment, Social, Governance)	Key factors that assess a company's sustainability and non-financial value
Double Materiality Assessment	A process that evaluates the materiality of sustainability issues from two perspectives: (1) the financial impact on the company, and (2) the company's impact on the environment and society
Lost Time Injury Frequency Rate (LTIFR)	The number of lost-time injuries requiring one or more days of recovery per one million working hours
Occupational Illness Frequency Rate (OIFR)	The number of occupational disease cases per one million working hours
Fatality Rate Per 10,000 People	An industrial safety metric indicating the number of fatalities due to industrial accidents per 10,000 workers
Climate Mitigation	Efforts to fundamentally reduce the causes of climate change by decreasing or absorbing(removing) greenhouse gas (GHG) emissions
Climate Adaptation	Measures to help social, economic, and environmental systems adjust and minimize damage from existing or anticipated climate change
Carbon Emissions (= GHG Emissions)	The amount of CO ₂ or other GHGs (e.g., methane, nitrous oxide, HFCs, PFCs, SF ₆ , NF ₃) released into the atmosphere due to human activities (e.g., energy use, industrial processes, transportation) * Values are expressed in CO ₂ -equivalents using CO ₂ as the baseline reference
Carbon Neutrality	Achieving net-zero carbon emissions by offsetting the total amount of greenhouse gases emitted through human activities with those removed or absorbed.
NDC (Nationally Determined Contributions)	Greenhouse gas reduction targets that are voluntarily determined by each country under the Paris Agreement
Physical risk	Risk of direct damage from climate–related and geological events such as typhoons, floods, heavy rain, and droughts, or from changes in ecosystem balance
Transition risk	Risks arising from mismatches between a company or investor's strategies and management, and evolving regulations, policies, or broader societal conditions related to climate change
Scope 1 GHG Emissions	Direct GHG emissions from business sites owned or controlled by the company
Scope 2 GHG Emissions	Indirect greenhouse gas emissions from the use, purchase, or acquisition of electricity, steam, heating, and cooling
Scope 3 GHG Emissions	All other indirect emissions occurring throughout the value chain, including both upstream and downstream activities
BAU (Business As Usual)	Projected GHG emissions assuming no additional policy or mitigation efforts beyond current trends
LCA (Life Cycle Assessment)	A method to quantitatively evaluate environmental impacts throughout a product's lifecycle, including raw material extraction, manufacturing, distribution, use, and disposal
Carbon Intensity	The amount of GHG emissions (in CO ₂ -equivalents) generated per unit of business activity, such as revenue, production volume, or energy consumption during a company's operations
Natural Capital	Natural assets (e.g., soil, water, air, biodiversity, ecosystem services) that provide direct or indirect value to human economic activities
Water Stress	A condition in which water demand in regions where the company operates exceeds the available freshwater supply. Higher values indicate more intense competition among water users.
Green Purchasing	The act of preferentially selecting and purchasing products or services that minimize environmental impact, such as eco-friendly or resource-saving products
Sustainable Products and Services	Products or services designed to generate positive environmental or social outcomes, in line with EU and K–Taxonomy standards
Supply Chain	All activities or processes carried out by companies with direct or indirect business relationships that provide products or services used in the development of the company's products and services

Local community	Individuals or groups within the local community who are or may be affected by the company's business activities
IPCC (Intergovernmental Panel on Climate Change)	Intergovernmental body on climate change
Emissions Trading System (ETS)	A market-based greenhouse gas reduction system in which the government sets a cap on total GHG emissions and allocates allowances (free or paid) to companies or emitters, allowing them to trade emission permits among themselves
Paid Allocation	A type of emissions allowance allocation under an ETS in which covered companies must purchase a specified portion of their allowances through paid methods such as auctions.
Free Allocation	A method by which the government allocates emissions allowances free of charge to companies subject to the ETS, based on certain criteria
Paris Agreement	A global climate agreement adopted at COP21 in 2015 to strengthen the global response to climate change
ICP(Internal carbon pricing)	A voluntary mechanism where a company sets an internal price on its carbon emissions to inform business decisions and investment evaluations
SBTi (Science-based Target Initiative)	Science-based Target Initiative
RE100	A global voluntary initiative in which companies commit to transitioning 100% of their electricity to renewable energy
REC (Renewable Energy Certificate)	A certificate that verifies the generation of 1 MWh of renewable energy
Circular Resource Use	The transformation of the linear resource flow (production \rightarrow consumption \rightarrow disposal) into a circular system where resources are reused and recycled
D&I (Diversity & Inclusion)	Management and organizational strategies that aim to respect diversity and promote inclusion within the organization
IFRS S1,S2	Sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB) under IFRS Foundation, consisting of IFRS S1 (general sustainability–related financial disclosure) and IFRS S2 (climate–related disclosure)
ESRS (European Sustainability Reporting Standards)	European Sustainability Reporting Standards
Taxonomy	A classification system that defines and categorizes sustainable economic activities
GRI (Global Reporting Initiative)	Global initiative for sustainability reporting standards
SASB (Sustainability Accounting Standard Board)	Identifies key ESG metrics and sets reporting standards by industry under the Sustainability Accounting Standards Board
TCFD (Task Force on Climate-related Financial Disclosure)	A task force that develops recommendations for climate–related financial disclosures
TNFD (Task Force on Natured–related Financial Disclosure)	A task force that develops recommendations for nature–related financial disclosures
UN SDGs (UN Sustainable Development Goals)	17 global sustainability goals adopted at the 2015 UN General Assembly, to be achieved by 2030
UNGC (UN Global Compact)	A global initiative where companies voluntarily commit to 10 principles in the four areas of human rights, labor, environment and anti-corruption
WEF ESG Metrics	ESG metrics developed by the World Economic Forum (WEF) to enable consistent measurement and disclosure of non-financial performance from the perspective of stakeholder capitalism

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