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Hyundai Glovis

Environmental Management Policy

2025. 08.

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1st Revision in 2020.07
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3rd Revision in 2025.08

1. Outline

A. Purpose of Establishment

Hyundai Glovis has established this Environmental Management Policy to pursue eco-friendly management, improve environmental performance, and mitigate negative environmental impacts across its business activities and the entire value chain, and is committed to continuously improving it.

[SHE Policy]

Hyundai Glovis recognizes its social responsibility and implements the following measures to meet the safety, health, and environmental requirements of all employees and stakeholders.

1. Make sure "SHE is the No.1 Value in Management" and enhance employee's health and well-being.
2. Comply with regulations and agreements to manage SHE risks proactively.
3. Eliminate potential risks through risk assessment to ensure safe and healthy working environment.
4. Promote activities to prevent environmental pollution for eco-friendly logistics services.
5. Establish mature SHE culture in which employees voluntarily participate SHE activities.
6. Achieve mutual growth through SHE cooperation with stakeholders such as partners companies.

B. Scope of Application

This environmental management policy applies to Hyundai Glovis' affiliates and their worldwide business units. Hyundai Glovis encourages all suppliers, contractual partners, and other entities within the supply chain to align with and practice environmental management, and provides support to facilitate such efforts.

Hyundai Glovis complies with each country's relevant environmental laws and regulations before this policy. It references this policy when local authorities' environmental laws and regulations do not cover or do not have special provisions regarding environmental management.

① Business Sites

Hyundai Glovis aims to establish an environmental management system based on ISO 14001 and promotes continuous performance improvement by introducing internal regulations to enhance environmental impact management and reduce environmental pollution.

② Supply Chain and Partners

Hyundai Glovis, in line with this Environmental Management Policy, establishes sustainability risk

assessment indicators for suppliers and reviews the environmental management performance and environmental risks across the supply chain. Sustainability risk assessments are conducted regularly for key suppliers to monitor their environmental management performance and risks. When high-risk suppliers are identified within the value chain, corrective action plans are developed and the implementation of such measures is monitored. For high-risk suppliers or those with significant business influence, Hyundai Glovis carries out capacity-building initiatives in the environmental domain, such as supporting the establishment of environmental management systems. Through these efforts, the Company seeks to prevent actual and potential risks within the value chain and mitigate negative impacts.

2. Basic Principle

Hyundai Glovis defines the following basic principles for each environmental factor to promote environmental management.

A. Energy

Hyundai Glovis reviews energy efficiency and reduction initiatives in its workplaces and logistics operations, and explores transition measures to renewable energy suitable for each site's conditions, thereby promoting a phased energy transition across its business operations and the entire value chain.

① Promote Energy Saving

Energy reduction initiatives are promoted, such as improving the energy efficiency of vessels and vehicles, optimizing routes, shifting modes of transportation, and applying low-friction coatings.

② Introduce Renewable Energy

Renewable energy solutions tailored to site-specific conditions are applied, such as installing renewable energy generation facilities, purchasing renewable energy certificates, and entering into power supply agreements with energy producers. Measures to expand the development and business of eco-friendly energy technologies, including clean hydrogen, are also reviewed.

③ Operate Energy Management System

An energy and greenhouse gas monitoring system is established and operated, and measures to

enhance efficiency are reviewed based on the information obtained.

④ Energy-related Products and Services

The transportation business of low-carbon energy sources such as LNG and LPG is promoted, and the energy transition within the value chain is supported through energy-related products and services.

B. Greenhouse Gas

Hyundai Glovis actively responds to climate change and strives to review and implement practical measures to reduce greenhouse gas emissions in order to achieve carbon neutrality.

① Carbon Reduction at Sites

Greenhouse gas emissions at business sites are reduced through renewable energy transition and energy efficiency initiatives, contributing to the achievement of carbon neutrality.

② Carbon Reduction in Supply Chain

The implementation of carbon neutrality within the supply chain is supported, and the reduction of carbon emissions in partner transportation processes is encouraged. To reduce carbon emissions related to partner transportation, the transition of transport fuels from internal combustion engine vehicles to electricity, hydrogen, and other alternatives is gradually promoted, while collaborative measures are explored.

③ Carbon Reduction in Products and Service

The provision of products and services that contribute to greenhouse gas reduction is expanded, including improving energy efficiency in vessel operations, transitioning vessel fuels to LNG and other low-carbon alternatives, and gradually shifting from internal combustion vehicles to electric and hydrogen trucks. Through these efforts, emissions and greenhouse gases generated from the use of products and services are reduced.

C. Pollutants

Hyundai Glovis upholds the principle of minimizing negative impacts on the natural environment by reducing air and water pollutant emissions, and reviews measures to establish and apply management standards in compliance with environmental laws and regulations of each country.

① Air Pollutants

Potential air pollutants generated from transportation are reduced by installing pollutant reduction devices, applying scrubbers, and transitioning transportation fuels, thereby minimizing the environmental impact of transport operations. Where air emission facilities exist within business sites, information on both emission and prevention facilities is monitored and managed to remain below legal standards.

② Water Pollutants

"Water pollutants are managed in accordance with international regulations established by the International Maritime Organization (IMO), including sewage discharge regulations and ballast water management. For business sites equipped with wastewater treatment facilities, Hyundai Glovis regularly monitors water quality and ensures compliance with legal standards as a guiding principle.

D. Hazardous Substances & Hazardous Materials

Hyundai Glovis identifies the status of chemical substances used in its business processes or contained in its products, and upholds the principle of preventing hazardous substances used in its operations from being released into the environment (air, water, and soil). The Company provides relevant stakeholders with necessary information and establishes a chemical substance management system that includes reducing the use of hazardous substances and managing related risks.

① Hazardous Substances Management at Sites

Where the handling of hazardous chemical substances is required, Hyundai Glovis establishes standards covering handling procedures, facility requirements, and the provision and use of protective equipment, and reviews measures for their application.

② Hazardous Materials Management on Ships

A valid International Certificate on Inventory of Hazardous Materials (IHM) shall be maintained, and procedures shall be operated to update and manage the inventory of hazardous substances.

E. Waste

Hyundai Glovis establishes and operates management standards necessary to reduce waste generated in business operations and to expand recycling.

① Waste Generation

The amount and types of waste generated annually in business operations are identified, and efforts are made to reduce the volume of waste generated.

② Waste Treatment and Recycling Expansion

Optimal treatment methods are determined according to the type and quantity of waste generated during business operations. Through this, landfill and incinerated waste is minimized, and recycling is expanded. Waste generated from vessels (such as food waste, plastics, packaging materials, and residual oil) is discharged in compliance with international regulations or, through segregation and storage procedures, is lawfully treated onshore.

F. Ship Recycling

Hyundai Glovis minimizes marine pollution and the risks associated with ship recycling when disposing of end-of-life vessels through sale or returning them to shipowners upon completion of charter contracts.

① Marine Pollution, Safety and Human Rights Impact Management

Marine pollution and operational risks arising from ship recycling are minimized. In addition, during the dismantling process, workers' conditions are considered, and unfair labor practices are not imposed.

② Disposal of Pollutants and Hazardous Materials

For ships subject to recycling conventions, an Inventory of Hazardous Materials (IHM) shall be prepared, maintained onboard, and managed. The IHM is to be regularly updated to remain current. Through this, the risk of worker exposure to hazardous substances during ship dismantling is minimized, and pollutants and hazardous substances are prevented from being unlawfully discharged into the sea.

③ Selection of Certified Facilities

When vessels are retired, only thoroughly inspected and verified specialized facilities shall be selected. Such facilities must hold a statement of compliance with the Hong Kong Convention or the EU Ship Recycling Regulation (SRR), as well as all relevant environmental and social compliance declarations issued by qualified and independent verifiers. In the case of long-term charter contracts exceeding five years, where a vessel is returned within five years of reaching its end-of-life age, the above-mentioned ship recycling provisions shall be applied.

G. Protection of Biodiversity

Hyundai Glovis considers a range of measures to prevent and minimize biodiversity risks across its logistics, shipping, and distribution operations. For business sites located near biodiversity conservation areas, efforts are made to prevent biodiversity loss (No Net Loss) and to achieve a Net Positive Impact through investments and activities aimed at conservation, restoration, and expansion of biodiversity. To ensure that biodiversity protection activities are implemented throughout the supply chain, suppliers are encouraged, as part of the Supplier Code of Conduct, to assess and improve potential biodiversity risks arising from their business operations.

① Biodiversity Assessment

Where required by laws and regulations, where stakeholders such as local communities raise reasonable concerns regarding biodiversity degradation or loss, or in other necessary cases, surveys are conducted on species, distribution, rare species, and endemic species within and around business sites. Based on the results of such surveys, potential risks are identified and biodiversity impacts within business sites or during business operations are assessed.

② Biodiversity Protection Activities Implementation

When business sites are located within or near protected areas, stepwise biodiversity protection activities (conservation–protection–expansion) are pursued, taking into account the geographical characteristics and biodiversity composition, functions, and potential of the area. In implementing biodiversity protection activities, the expertise on biodiversity held by external parties such as industry, local communities, and specialized institutions, as well as an understanding of community characteristics, are reflected to enhance effectiveness. In marine transport activities, biodiversity impacts are considered, and compliance is ensured with local laws and international conventions through measures such as vessel speed reduction, route adjustments, and low-noise operations.

③ Ban on Deforestation

Efforts are made to build a value chain structure that operates without deforestation in the mid-to-long term. Green areas within and around business sites are preserved and protected, while contributing to the prevention of community deforestation and degradation, as well as to the promotion of forest conservation.

H. The Local Community

Hyundai Glovis recognizes that the Company and its employees are members of the local community,

and in all business operations consider the environmental impacts on the community and establishes and implements measures to manage them appropriately. Hyundai Glovis also discloses environmental information to the community and establishes procedures necessary to incorporate community feedback and ensure ongoing communication with stakeholders.

I. Violations of Environmental Laws and Regulations

Hyundai Glovis clearly recognizes the environmental management laws and regulations to be observed in the course of business operations, and actively undertakes investments and improvement activities to address related risks. Dedicated personnel are assigned to monitor amendments to environmental laws and regulations on an ongoing basis and to ensure proactive compliance. Furthermore, in addition to violations of national laws and regulations, strict measures are taken to prevent recurrence of violations of internal environmental management regulations through reporting of the causes, improvement plans, and results of corrective actions.

3. Implementation System

A. Governance

① The Role of the Senior Management

Hyundai Glovis shall manage overall environmental risk management and performance improvement activities through the senior management meetings where CEO or main decision-makers attend. The primary role of the senior management meetings includes reviewing environmental risks, evaluating environmental management performance, discussing response measures to environmental risks, and addressing other matters deemed necessary for the dissemination of environmental management practices. For mid- to long-term environmental strategies and major facility investment plans, specific measures are implemented following the reporting to or approval of the Board of Directors or its committees, where such procedures are required. In addition, in the process of selecting candidates for the Board of Directors, understanding and experience in environmental matters are taken into account to ensure that environmental issues are considered in a balanced manner.

② The Role of a Dedicated Organization

Hyundai Glovis has established a dedicated organization to implement environmental management and carry out related tasks. The main roles of this dedicated organization include establishing and operating

the environmental management system, managing environmental practices across domestic and overseas business sites, administering domestic and international environmental certifications (ISO 14001), responding to domestic and international environmental regulations and policies, and enhancing employees' awareness of environmental management.

B. Education and Spread

① Education

Hyundai Glovis provides environmental management training for employees and other stakeholders to promote awareness of the importance of environmental management. Through such training, employees are guided to understand the environmental impacts of business activities and to take environmental considerations into account in the course of their work.

② Information Disclosure

Hyundai Glovis discloses environmental management information through its website, sustainability reports, or other designated channels. Such information is disclosed via channels that are easily accessible and clearly understandable to both internal and external stakeholders, including employees.

③ Cooperation with Stakeholders

Hyundai Glovis seeks cooperative frameworks with external expert institutions to enhance the efficiency of environmental management implementation and the effectiveness of environmental performance. The expertise and experience of external institutions in establishing environmental management systems are referenced to strengthen the Company's own environmental management framework. The opinions of internal and external stakeholders are taken into account when implementing environmental management initiatives and revising environmental management policies.

C. Communication with Stakeholder

① Employees

Environmental management policies and guidelines are shared, and employees' awareness of environmental management is enhanced through training. Opinions regarding the improvement of environmental performance are reflected in the implementation of environmental management initiatives.

② Suppliers/Partners

Know-how and experience in environmental management are shared with the supply chain, and continuous communication is maintained to create environmental value across the value chain.

③ Investors

Environmental management performance that meets the requirements of shareholders and investors is expanded, while continuous trust-based relationships are built and investments are promoted to enhance corporate value.

④ Customers

Environmental information on products and services is provided, and environmental improvement requirements collected through customer contact channels are considered and reflected in product and service development processes.

⑤ Government & Relevant Institutions

Environmental policies and regulatory trends of governments and relevant institutions are regularly monitored, and a management system is established to enable proactive response to legal and institutional changes necessary for business operations. Internal procedures are established to understand and ensure compliance with environmental laws and regulations in each country.

⑥ Local Communities

To mitigate environmental impacts arising from business operations, diverse opinions of local communities are heard, and efforts are made to resolve grievances raised.

D. Implementation and Performance Management

Hyundai Glovis, based on the PDCA (Plan-Do-Check-Act) cycle of the Environmental Management System (ISO 14001), strives to establish and manage operational policies and objectives for environmental impacts, regularly monitors performance, and promotes improvements through internal and external audits.

① Set the Environmental Goals (Plan)

Hyundai Glovis manages all direct and indirect environmental regulations applicable to its business operations, minimizes environmental impacts, and derives indicators to improve internal environmental performance. Environmental objectives, taking into account internal performance

management and external credibility, shall: 1) be specific, realistic, and achievable; 2) be measurable in quantitative terms against progress toward the targets; 3) clearly specify the timeframe required for achievement; 4) allow estimation of expected effects and impacts upon achievement; and 5) be set with consideration of external economic conditions, government policy directions, and internal business plans.

Carbon-Neutral Goal (※ Refer to the NET ZERO Special Report)

Hyundai Glovis, with a sense of responsibility and sincerity, has established the long-term goal of achieving carbon neutrality by 2045 in order to actively respond to the climate crisis and to align with numerous customers who have declared carbon neutrality. The four core strategies for Hyundai Glovis to achieve carbon neutrality are as follows:

1. Establish targets for each stage to achieve carbon neutrality in the shipping business
2. Establish an eco-friendly value chain for the end-to-end shipping process
3. Expansion of the eco-friendly value chain across suppliers
4. Strengthen customer support

② Implementation (Do)

Hyundai Glovis develops and strives to implement detailed plans to achieve its environmental objectives. In the course of promoting environmental management, the purpose of environmental policies, the understanding of target setting, and methods of achievement are communicated and provided as training to employees, thereby embedding environmental management into the organization and strengthening its driving force.

③ Check the Implementation Status (Check)

Hyundai Glovis regularly evaluates the implementation of its environmental objectives and, when necessary, revises and supplements short- and mid-to long-term targets based on the results of such evaluations.

④ Performance Management (Act)

Hyundai Glovis incorporates mid- to long-term environmental performance improvement targets and their implementation status into management performance evaluation indicators (KPIs). In evaluating management performance, factors such as environmental performance improvement, results of major domestic and international ESG (environmental) assessments, and progress on internal environmental

management improvement tasks are comprehensively considered. Environmental objectives and performance are reviewed during regular management reviews and are utilized in setting targets and enhancing performance for the following year.