

# Biodiversity Protection Policy

## Article 1 (Objective)

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

## Article 2 (Policy)

Hyundai E&C complies with the highest level of regulations in all kinds of business activities.

Hyundai E&C takes the lead in protecting biodiversity at all business sites around the world, and will prepare actionable measures to protect biodiversity throughout our business operations. In relation to this, we shall strictly comply with the following.

- 1) Biodiversity protection: Hyundai E&C will comply with national and local legal requirements in protected areas designated by the International Union for Conservation of Nature (IUCN) to protect biodiversity.
  - \* International Conservation Areas (such as IUCN Category Ia);
  - Primordial Wild Integrity Areas (such as IUCN Category Ib);
  - International protected areas (such as IUCN Category II);
  - Natural and cultural sites (such as IUCN Category III);
  - Species/Habitat Management Area (such as IUCN Category IV)
- 2) Application of mitigation hierarchy: Hyundai E&C will identify biodiversity and protected species in the project site and surrounding areas throughout the entire project process, and will implement in-depth mitigation activities, including avoidance, minimization, restoration and offsetting.
- 3) NPI beyond NNL: Hyundai E&C will implement biodiversity protection at the level of No Net Loss (NNL) through active biodiversity protection activities on the priority areas, and move toward the NPI (Net Positive Impact) stage by 2050.
- 4) Stakeholder collaboration: Hyundai E&C will establish and implement measures to conserve, restore and expand biodiversity near the business site through cooperation with stakeholders, including specialized agencies.
- 5) Expansion to supply chain biodiversity protection: Hyundai E&C will promote diversified activities to minimize the negative impact on the environment in the business process and strive to expand the scope to the supply chain and business partners.

## Article 3 (Scope of application)

The scope of this policy shall include all employees of Hyundai E&C's domestic and overseas business sites, as well as employees of Hyundai E&C's domestic and foreign corporations, branches, subsidiaries and sub-subsidiaries, and partners (including joint ventures).

Compliance with the principles of diversity protection is one of the key factors in Hyundai E&C's businesses. All partners, subcontractors and suppliers that maintain business relationships with the company are required to comply with the laws and regulations related to labor and wages in a strict manner.

## Article 4 (Measures)

Hyundai E&C applies design and construction methods that can maintain the topographic environment and biodiversity as much as possible by preemptively identifying the impacts on the

ecosystem from the time the construction plan is established.

- 1) Alternative habitats: Implement various types of activities, including transplanting trees and plants, creating ecological wetlands by settling basins, installing an island of “artificial” plants, developing natural streams and green areas.
- 2) Protection devices and pathways: Adapt the activities to the field situation, including building escape paths and escape-leading fences for small animals, installing pathways that utilize silt protectors, blocking paths, roadside trees, and other on-site structures.
- 3) Alternative engineering: Design changes for biodiversity-sensitive areas, including changes of the construction location, applying low-vibration construction methods, downscaling of bridge foundations.

#### Article 5 (Biodiversity Protected Areas and Assessment)

Hyundai E&C defines protected areas by comprehensively considering domestic and international laws and regulations on biodiversity conservation, as well as the International Union for Conservation of Nature (IUCN) categories for protected areas (IUCN Category I ~ IV).

Hyundai E&C implements a process to evaluate biodiversity species and distribution status, as well as biodiversity risks, focusing on areas near project sites and protected areas to achieve the objectives of biodiversity protection policy. Hyundai E&C will continuously monitor compliance with biodiversity protection laws and regulations in all countries where it operates. In order to cope with related risks to biodiversity, we will establish and carry out a plan for forest formation and greening within our business sites, and monitor related performance through environmental impact assessment, etc. In addition, we will continuously inspect and improve the forest protection activities of our suppliers through supply chain sustainability assessment for critical suppliers.

#### Article 6 (Management)

The Board of Directors of Hyundai E&C serves as the highest decision making body, resolves key matters related to the company’s business operations and manages the issues related to biodiversity through deliberation, ensuring that biodiversity protection measures are aligned with Hyundai E&C’s management strategy direction accordingly.

#### Article 7 (Report)

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