

We Build a Sustainable Future

2026 HYUNDAI E&C Sustainability Report

About This Report

Overview

This report marks Hyundai E&C’s seventeenth Sustainability Report. The company publishes an annual Sustainability Report to transparently disclose its sustainability strategy and related performance to stakeholders. To incorporate stakeholder opinions into the report, we conducted a double materiality assessment to identify material issues. The report was prepared in accordance with the Korea Sustainability Standards Board (KSSB) and the European Sustainability Reporting Standards (ESRS). For material issues, we transparently disclose the financial impacts on the company, our response measures, and our management capabilities in accordance with the KSSB Standards 1 and 2, organized under the categories of governance, strategy, risk management, metrics, and targets. For other issues, we have included relevant information in accordance with ESRS requirements and disclosed details on the methodology used to calculate green revenue based on the EU Taxonomy to support investors and other stakeholders in making informed decisions. Hyundai E&C will continue to build trust with stakeholders by transparently disclosing strategies and management status for creating sustainable value.

Reporting Period

This report covers major sustainability management activities and achievements from January 1 to December 31, 2025, and includes certain key activities through the first half of 2026. Where it is necessary to identify continuous trends in performance, data from the most recent three or four years has been used.

Reporting Scope

The reporting scope for non-financial (governance, social, and environmental) quantitative performance includes major subsidiaries (Hyundai Engineering, Hyundai Engineering & Steel Industries, Hyundai City Corporation, Songdo Landmark City, Hyundai Eco Energy, and Hyundai Farm Land & Development) which account for 99.2% of Hyundai E&C’s consolidated revenue, based on the consolidated financial statements. In case of discrepancies in the reporting scope of certain disclosures from the above, this fact is noted 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 prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS).

Sustainability Reporting Standards

This report complies with the KSSB, the ESRS, as well as the 2021 Global Reporting Initiative (GRI) Standards. Key disclosure items are structured to incorporate the indicators of the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), the World Economic Forum (WEF) Stakeholder Capitalism Metrics, and the 10 Principles of the United Nations Global Compact (UNGC).

Third-Party Assurance

To ensure transparency and credibility, the content and data in this report have undergone third-party assurance by BSI Group Korea in accordance with the AA1000 Assurance Standard (Moderate level, Type 2). Detailed results can be found in the ‘Third-Party Assurance Statement(p.178-179)’ included in this report.

Additional Information

Hyundai E&C periodically and transparently discloses management-related data on its website to provide information to stakeholders, including investors. Additional information related to this report is available on our website, in our annual reports and audit reports, on the Financial Supervisory Service’s disclosure website, and on the Hyundai E&C ESG Portal.

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 materiality assessment and incorporate it into our sustainability reports in the future when appropriate.

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Judgments and Uncertainties with a Significant Impact

Hyundai E&C makes judgments regarding matters that could have a material impact on disclosures during the preparation of sustainability-related financial disclosures. We identify and evaluate sustainability-related information by taking into account reasonable and supportable information available without undue cost or effort as of the reporting date, as well as our capabilities, competencies, and resources. In terms of sustainability financial data, we are aware that measurement uncertainties may arise for figures that cannot be directly measured, and that current circumstances and assumptions about the future may change due to circumstances beyond our control. Accordingly, the specifics of judgments and measurement uncertainties that have a material impact are as follows.

1. Identification of Sustainability-Related Risks and Opportunities

Hyundai E&C considers the following factors to identify sustainability-related risks and opportunities that could reasonably be expected to affect the company's prospects:

- Key resources utilized by the company and relationships with stakeholders
- The company's dependencies on the external environment
- The social and environmental impacts of the company's activities
- The company's business model and entire value chain
- External regulations, market changes, and industry trends related to climate and ESG

2. Identification and Assessment of Material Information

Hyundai E&C identifies information about sustainability-related risks and opportunities before conducting a phased assessment to determine whether such information is material to investor decision-making.

1) Identification

We review whether sustainability-related risks and opportunities could have an impact on the company's outlook and identify potentially material information by applying the KSSB guidelines, industry-specific disclosure standards, and global disclosure standards.

2) Assessment

We assess whether the identified information could have an impact on investors' decision-making, taking the following factors into comprehensive consideration:

- Quantitative factors: the size and the scope of financial impact;
- Qualitative factors: business model, strategy, industry characteristics, regulatory environment, reputation, and stakeholder engagement;
- Possible future events with uncertain outcomes: the impact of reasonably foreseeable future events on the assessment of materiality; and
- Changed circumstances and assumptions: whether materiality has changed due to changes in the business environment, new information, or changes in assumptions.

3) Summary

Information judged to be material is organized in a way that communicates information clearly and concisely to investors by aggregating and disaggregating the relevant information.

4) Review

We review draft disclosures to determine whether there are any omissions, duplications, or unclear expressions in the material information, and we review whether to proceed with the final disclosure.

3. Reassessment of the Scope of Sustainability-Related Risks and Opportunities throughout the Value Chain

Hyundai E&C takes into consideration the entire value chain in the process of identifying sustainability-related risks and opportunities, and reassesses the scope of such risks and opportunities when significant events or changes in circumstances occur. The following factors are considered during the reassessment:

- Significant change in the company's value chain;
- Change in the company's business model, activities, or corporate structure; and
- Change in the company's exposure to sustainability-related risks and opportunities.

4. Identification of Applicable Disclosure Requirements

Hyundai E&C reviews sustainability disclosure standards and related guidelines to identify applicable disclosure requirements for the identified sustainability-related risks and opportunities. We consider the information, capabilities, and resources available to the company when applying the disclosure requirements.

- ESRS(European Sustainability Reporting Standards)
- Standards and related guidelines of the KSSB(Korea Sustainability Standards Board)
- SASB(Sustainability Accounting Standards Board) – GRI(Global Reporting Initiative) and other global disclosure standards
- Disclosure practices of domestic and international peer companies
- Internal risk management system and business portfolio

5. Measurement Uncertainty

Hyundai E&C utilizes assumptions and estimates regarding future events when preparing sustainability-related financial disclosures, and measurement uncertainty may arise during this process. Accordingly, we make reasonable estimates by:

- using reasonable and supportable information;
- utilizing available industry standards, external public data, and internal company information; and
- continuously reviewing significant assumptions, estimates, and judgments.

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SureSoftTech-JiranSoft Headquarters

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About HDEC

CEO Message

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

First, I would like to express my deepest gratitude to all of you for your trust and support, which enable Hyundai E&C to maintain our sustainable growth.

Since its founding in 1947, Hyundai E&C has leveraged our spirit of challenge—turning the impossible into reality—and our unparalleled technical expertise to complete over 900 projects across 62 countries worldwide. As a leader in the global construction industry, we have taken the initiative to demonstrate the capabilities of Korea’s construction industry to the world.

Today’s business environment is more complex and challenging than ever before. Escalating geopolitical tensions and rapid climate change are forcing the construction industry to undergo fundamental structural reforms. In particular, the push for carbon neutrality and sustainability disclosure regulations is demanding that companies provide “substantive proof” and assume “strict accountability.”

Since announcing our energy-focused growth strategy—viewing these changes and challenges as opportunities for growth—we expanded our order intake in the energy sector last year, including nuclear power, solar power, and offshore wind power, achieving a record-high annual order intake of over KRW 25 trillion. This marks a new milestone in the history of Korea’s construction sector.

Furthermore, we have been listed in the globally renowned Dow Jones Best-in-Class Indices World Index for 16 consecutive years and in the CDP Korea Hall of Fame for eight consecutive years, solidifying our leadership in ESG.

Hyundai E&C will not rest on its laurels but will further solidify the foundation for sustainable growth.

First, we will secure a dominant position in future markets by strengthening our global competitiveness through the transition to low-carbon energy.

As a “leader in energy transition,” we are accelerating our expansion into advanced markets. Building on our unparalleled construction capabilities—demonstrated by the completion of 24 large-scale nuclear power plants both domestically and internationally—we have established a foothold in Europe and the US. We intend to further solidify our position in the global energy market by participating in numerous nuclear power projects, including light-water small modular reactors (SMRs) and next-generation sodium-cooled fast reactors (SFRs). Furthermore, we will make climate action our core growth driver through renewable energy and low-carbon solutions—such as offshore wind power; the hydrogen and ammonia value chain; and carbon capture, utilization, and storage (CCUS)—and establish leadership in future markets.

Second, we will build an internal control system that complies with ESG regulations to enhance trust in our sustainability management practices.

To address global ESG regulations, we have proactively adopted the ESRS and the KSSB guidelines to enhance the transparency of our disclosures. In particular, we advance our ESG capabilities and continuously upgrade our internal control systems for disclosures in anticipation of stricter due diligence regulations for the global value chain. By implementing governance that effectively controls risks and transforms regulations into opportunities, we will further solidify trust in our sustainability management.

Third, as a company that grows with our stakeholders, we will pursue mutual prosperity and sustainable development.

Hyundai E&C envisions a future where all stakeholders grow together. We will expand our mutual growth programs for our suppliers, whom we recognize as “partners in sustainable growth.” Through sincere communication with and contributions to local communities, we will address social issues. We will spare no effort to improve the quality of life for all. As a company trusted and loved by our customers, employees, local communities, and suppliers, we will lead sustainable growth across the entire value chain based on mutual prosperity.

Moving forward, under our vision, “We Build a Sustainable Future,” Hyundai E&C will continue striving tirelessly to **▲ realize a low-carbon society ▲ enhance quality of life ▲ build stakeholder trust**. We ask for your continued encouragement and support as Hyundai E&C continues to build a sustainable future.

Thank you.

Lee Han-Woo
President & CEO of Hyundai E&C

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About HDEC

Company Profile

Hyundai E&C places the highest priority on creating value for customers by leveraging our capabilities and expertise accumulated across diverse areas, including infrastructure, building, housing, plants, and new energy. We endeavor to build our competitiveness through technological innovation and quality improvement. Deeply ingrained in Hyundai E&C is the belief that “Anything you can imagine, you can achieve,” along with confidence, creative foresight, and a spirit of challenge, serving as the foundation for our thoughts and actions. Guided by a sense of responsibility that “the path Hyundai E&C has walked becomes the path of the construction industry,” we aim to leap forward as a market-leading enterprise that provides customized solutions through flexible and open-minded thinking, as well as a company that proactively responds to the rapidly changing construction environment.

Corporate Overview



Company Name	HYUNDAI ENGINEERING & CONSTRUCTION CO., LTD.
Date of Establishment	May 1947
CEO	Lee Han-Woo
Headquarters	75 Yulgok-ro, Jongno-gu, Seoul, Republic of Korea
Number of Employees	13,961(consolidated basis)

Revenue

KRW 31,062.9billion(consolidated basis)

Operating Profit

KRW 653billion(consolidated basis)

Order Backlog

KRW 95,038.5billion(consolidated basis)

Credit Rating

AA- (Korea Ratings, NICE Investors Service, Korea Investors Service)

Business Areas

Infrastructure

Creating New Spaces and Advancing Technology

Marine/
Ports

Offshore Wind
/Environment

Underground
Spaces

Bridges/
Structures

Roads/Railways

Pumped Storage
Hydropower

Building/Housing

Creating Unique, Future-oriented Spaces

Data Centers

Hospitals/Medical
Facilities

Mixed-use/Hotels &
Resorts

THE H

HILLSTATE

Plant

Realizing End-to-end EPC Management

Oil/Gas

Refining

Petrochemicals

LNG

Hydrogen-
Ammonia/SAF¹⁾

1) Sustainable Aviation Fuel

New Energy

Pioneering Next-generation Energy Transition Technologies

Large Nuclear
Power Plants

Small Modular
Reactors (SMRs)

Renewable Energy

Transmission Lines

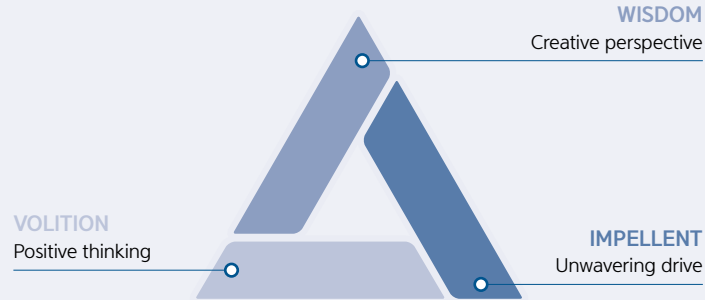
Substations

Corporate Philosophy and Management Strategy

Corporate Vision

Total Solution Creator

Corporate Philosophy



Business Strategy(H-Road)



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 895 projects in 62 countries. It has leaped forward as a global construction leader, operating headquarters, two domestic branches, one domestic office, 16 overseas branches (including subsidiaries), and 21 overseas offices as of the end of 2025, where projects are being carried out at 126 domestic and 53 overseas project sites. New overseas projects won in 2025 include two power transmission projects in Saudi Arabia, a seawater desalination project in Basra, Iraq, and a solar power generation project in Texas, US.

Countries of Operation
(Cumulative)
62countries

Overseas Projects
(Cumulative)
895

Current Overseas
Construction Sites
53

Current
Domestic sites
126

Headquarters,
Branches, and Offices
41

Headquarters	Hyundai E&C
Major Branches	Domestic Branches (2) and Office (1) Jungbu Branch, Yeongnam Branch, Honam Office
	Overseas Branches (16, including subsidiaries) Abu Dhabi Branch, Baghdad Branch, Kuwait Branch, Al-Koba Branch, Doha Branch, Algiers Branch, Panama City Branch, Lima Branch, Singapore Branch, Jakarta Branch, Hanoi Branch, Manila Branch, Warsaw Branch, Sofia Branch, Sydney Branch, New Jersey subsidiary



Key Regional Business Strategies

Middle East

- Strengthening partnerships with competitive firms in large-scale infrastructure and plant operations in line with growing global LNG demand
- Expanding into new growth areas such as eco-friendly energy (blue hydrogen/ammonia) and data centers, and securing new growth engines to establish a foothold in future markets
- Enhancing technological competitiveness through collaboration with advanced firms holding proprietary technologies and licensors
- Monitoring oil prices, geopolitical shifts, and security conditions to maintain a stable market position in the Middle East

Asia and Oceania

- Establishing a foothold for entry into Japan's high-tech and renewable energy markets
- Strengthening influence in Asian large-scale transportation infrastructure by leveraging the award of four packages for Philippines Southern Commuter Railway
- Securing foothold projects to enter Public-Private Partnership (PPP) markets in advanced economies (Australia/New Zealand)
- Promoting Korean-style (K-Housing) exports through residential developments in New Zealand

Americas

- Pursuing strategic partnerships with leading companies in the US nuclear power sector
- Accumulating advanced nuclear power technology and skills by participating in US nuclear decommissioning and SMR projects
- Diversifying the portfolio through fully-fledged development projects in US high-tech industries and renewable energy (e.g., solar)

Europe

- Expanding participation in European nuclear power projects using Romania and Bulgaria as key footholds
- Securing project opportunities in Europe through strategic partnerships with leading construction and engineering firms
- Promoting the export of K-Housing through participation in housing development projects in Bulgaria

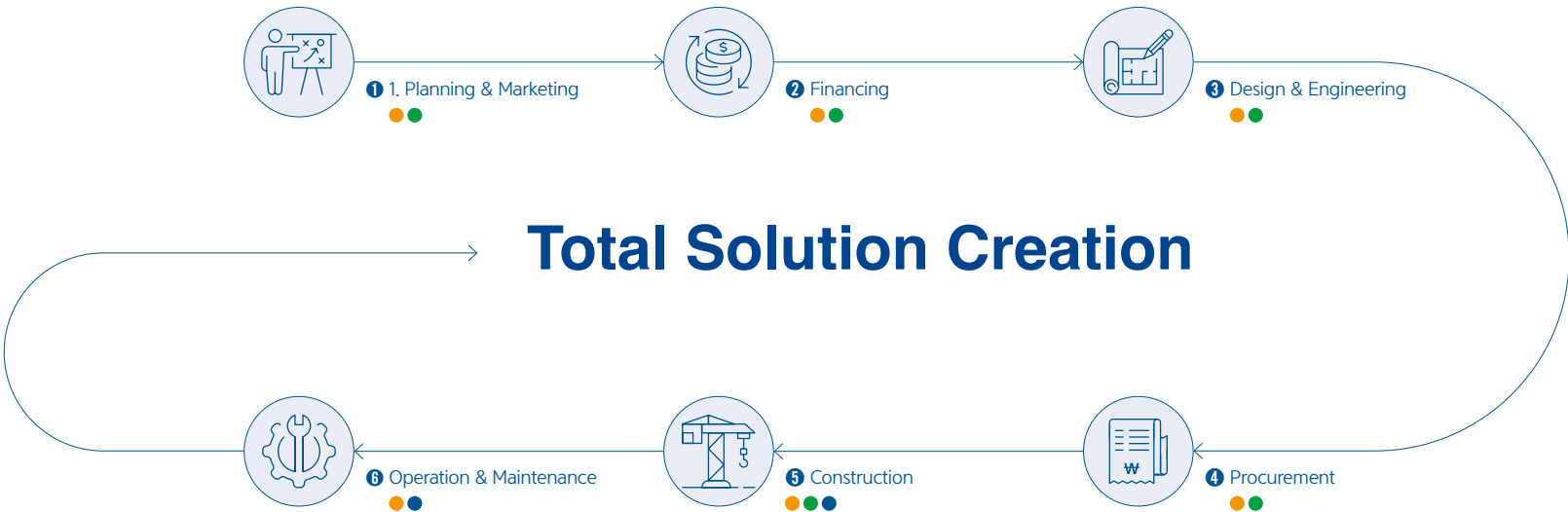
About HDEC

Value Chain

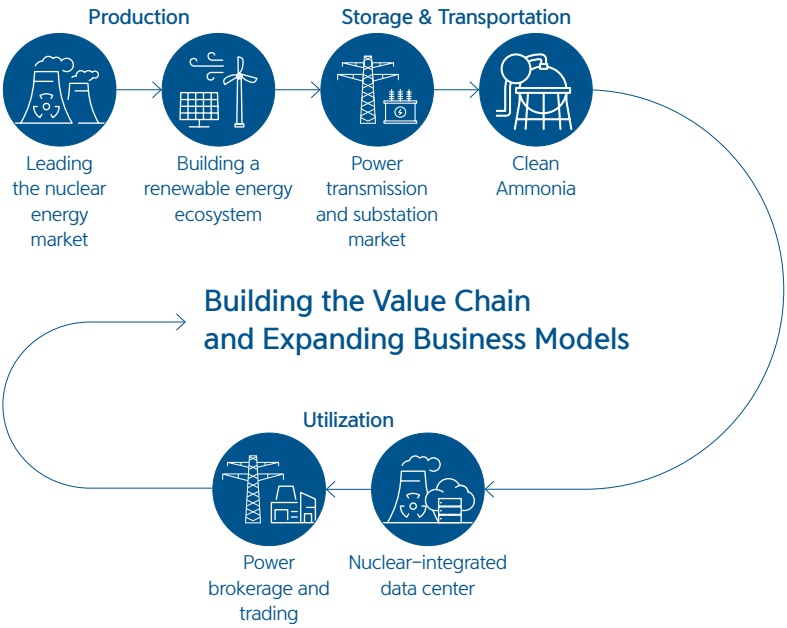
Hyundai E&C carries out key business activities across the entire project lifecycle—from planning and marketing to financing, design and engineering, procurement, construction, and operation and maintenance—and provides integrated solutions based on collaboration with various stakeholders, including clients, suppliers (including material and equipment suppliers), and financial institutions. Furthermore, moving beyond a simple construction-focused business model, we are building our expertise across the entire construction value chain. In step with climate change and shifts in the global market, we are continuously expanding into future growth areas such as energy transition, low-carbon and eco-friendly projects, as well as entering new markets. Through these efforts, we are reinforcing the competitiveness of our existing construction business while creating new business opportunities across the entire energy industry value chain, thereby securing a foundation for sustainable growth and differentiated competitiveness within the global construction industry.

▲ Total Solution Creator

Key Areas of Operation by Value Chain: ● (Upstream), ● (Own Operation), ● (Downstream)



▲ Energy Transition Leader



1 Planning & Marketing We incorporate our client’s requirements and assess feasibility in the early stages of the project through preliminary consultations with design firms, engineering firms, and key suppliers.	2 Financing We collaborate with financing stakeholders, including financial institutions, investors, and guarantee agencies, to securely establish the financial foundation necessary for project execution.	3 Design & Engineering We enhance the technical quality and constructability of the project through collaboration with design firms, technical suppliers, and material and equipment suppliers.
4 Procurement We operate a procurement system that meets quality, delivery, and safety standards based on transactions with specialized suppliers for key materials and construction equipment.	5 Construction During construction, we collaborate with specialized suppliers for each trade—such as rebar, concrete, equipment, and finishing—and enhance project quality by adhering to quality, safety, and environmental standards in cooperation with our client and our supervising engineer.	6 Operation & Maintenance After completion, we ensure maintenance, safety, and performance improvement to ensure that customers, end-users, and the local communities can use the facilities reliably.

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	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 projects
Power transmission and substation market • Expanding into new markets and securing a leading position • Pursuing sustainability	Clean Ammonia • Providing design and construction services for ammonia production plants • Clean hydrogen storage and transportation project
Nuclear-integrated data center • Proposing nuclear power + data center packages and providing total solution	Power brokerage and trading • Expanding distributed energy trading, including renewable energy, SMRs, and hydrogen

About HDEC

Infrastructure

Our Infrastructure Division is leading the domestic and international infrastructure markets based on its extensive construction experience and differentiated technical capabilities. We are focusing our efforts on renewable energy infrastructure projects that drive the low-carbon and eco-friendly era, including marine port construction, underground spaces, railways, roads, and bridges. In particular, we are fostering offshore wind power and pumped-storage hydropower projects as our growth engines. By 2026, we aim to hold the largest project track record in the domestic offshore wind sector. As for pumped-storage hydropower, we are bolstering our competitiveness in renewable energy infrastructure by entering global markets and expanding our energy storage system (ESS) portfolio. These achievements demonstrate Hyundai E&C's capacity to execute projects—not only through the stable delivery of traditional infrastructure projects but also by realizing sustainable cities and societies and achieving carbon neutrality. Moving forward, Hyundai E&C will remain committed to raising the bar for sustainable infrastructure that enhances the quality of life for humanity through technological innovation and differentiated services.

Jeju Hallim Offshore Wind Power Project

The Jeju Hallim Offshore Wind Farm generates approximately 234 GWh of electricity annually through the construction of 18 5.56 MW wind turbines. Using the Protier, Korea's first and only dedicated offshore wind installation vessel, structural construction was completed in October 2024, and following the project's full completion in February 2025, the generated electricity is currently being supplied to the Jeju region.



Offshore Wind

Our Infrastructure Division achieved its largest track record in the domestic offshore wind sector by breaking ground on the 390 MW Sinan–Ui offshore wind power project in 2025. It is set to sign the main contract by the end of 2026 following the successful commencement of the preliminary engineering services contract for the 600 MW Wando–Geumil offshore wind project. In addition, the division is preparing for various new projects, such as the Aphae and Yeonggwang–Gak-i offshore wind farms. It is contributing to the eco-friendly transition of the domestic and international offshore wind markets through its proven foundation design and construction capabilities in diverse marine environments, construction risk management in collaboration with the Technology Research Center, and greenhouse gas reduction efforts.

Pumped-Storage Hydropower

In line with the energy company's business transformation strategy, our Infrastructure Division is focusing on developing pumped-storage hydropower as a key growth driver—specifically as a long-duration energy storage (LDES) solution that compensates for the intermittency of renewable energy—and is expanding its global business portfolio based on its domestic and international track record. In March 2026, the division signed an MOU with Italy's Webuild for a pumped-storage hydropower project in Bulgaria, strengthening global cooperation. By adding LDES facilities to its track record, the division is expanding its business scope to include the ESS sector, thereby contributing to the energy transition and the stabilization of the power grid.

Key Technologies

Marine/Port

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

Bridge/Structure

- Long-span bridge engineering
- Accelerated construction techniques

Underground Space

- Large-scale/cross-section underground space constructions
- Tunnel boring machine (TBM) design/construction

Ground/Foundation

- Innovative foundation design
- Offshore wind foundation

About HDEC

Building

Our Building Works 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 reinforcing its competitive edge as a builder and a developer in the eco-friendly and smart construction market. Our initiatives include shortening construction periods using offsite construction (OSC) methods and establishing a low-carbon construction system through the reduction of construction waste, dust, and GHG emissions. Additionally, we minimize uncertainties and risks in advance by providing pre-construction services through building information modeling (BIM). With the acceleration of globalization driven by technological advancements, there is a growing need for entry into global markets. Hyundai E&C is initiating vertiport design and construction technologies through our participation in the Korea Urban Air Mobility (K-UAM) pilot project of the Ministry of Land, Infrastructure and Transport (MOLIT), while also establishing development and operation systems for data centers and smart cities. Our goal is to secure global market dominance ahead of others and further expand our network by advancing our development and operational capabilities.

Yongin Jukjeon Pacific Sunny Data Center

The Yongin Jukjeon Pacific Sunny Data Center is Korea's largest hyperscale data center capable of handling an IT load of 64 MW and supplying 100 MW of power. It is an energy-optimized data center that has achieved a power usage effectiveness of 1.3 by establishing a high-efficiency thermal management system—including hot aisle containment and chiller pre-cooling—and efficiently managing resources through data center infrastructure management—an automated control system. In recognition of these achievements, we won the Grand Prize at the 21st Infrastructure and Architecture Technology Awards, once again demonstrating Hyundai E&C's competence as a leader in the data center market.



Eco-Friendly Buildings

Hyundai E&C is committed to developing eco-friendly building technologies, including the use of eco-friendly materials and improvements in energy efficiency. In terms of energy-intensive structures such as data centers, we apply high-efficiency cooling technologies and real-time energy management systems to enhance building energy efficiency and contribute to low-carbon practices.

Eco-Friendly Modular and OSC Technologies

Hyundai E&C is expanding the application of OSC and modular-based construction technologies to reduce carbon emissions and construction waste generated during the construction process. By adopting a method where major structural components and equipment are prefabricated in a factory and then assembled on-site, we minimize on-site work and lower noise, dust, and waste generation, further improving construction efficiency. We are enhancing quality consistency and material efficiency through component standardization and precision construction. Hyundai E&C plans to contribute to a sustainable building environment by leveraging eco-friendly and smart construction technologies.

Key Technologies

Smart Construction - Construction automation - Mobility-friendly architecture, UAM vertiports	Construction Materials - High-performance/specialty concrete for crack mitigation - Eco-friendly/advanced composite materials technology
Building Structure - Seismic/wind-resistant design - OSC(Offsite Construction) design	Eco-friendly Energy - Building energy management technology - Indoor air purification technology

About HDEC

Housing

Our Housing Works Division maintains its status as a luxury brand across the domestic housing sector thanks to our trendy designs and premium residential spaces and services that prioritize customer satisfaction. We are committed to leading the residential trends in Korea by providing future housing technologies together with Hillstate, which creates new lifestyles, and THE H, which sets the standard for high-end living spaces. We will develop specialized housing products unique to Hyundai E&C, proactively responding to market and customer demands and leading innovation in the residential culture of Korea by shifting the market paradigm. As residential trends rapidly evolve amid advancements in cutting-edge technology, demographic shifts resulting from an aging population and dropping fertility rates, and the diversification of lifestyles, Hyundai E&C is developing customized housing solutions to address such changing times. Through customized residential styling across interiors and exteriors, as well as the H Culture Club—a residential service that integrates space and platforms—we are creating new types of future living spaces and offering higher standards of living. We will continue to pioneer a sustainable residential culture by gradually expanding our business scope to include the construction of model homes using recyclable and eco-certified materials, the planting of endangered species, upcycled landscaping, zero-energy building projects, and ‘The New House’, a complex renewal project that eliminates the need for demolition and relocation.

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.



Recyclable Materials

Hyundai E&C is introducing upcycling design to practice closed-loop recycling. We have enhanced sustainability by transforming waste, such as empty cosmetic bottles, into works of art. Recently, we have been utilizing waste as building materials, such as ultra-high-performance concrete (UHPC) panels, and applying them to landscaping facilities, including resident rest areas and waste sorting stations.

Biodiversity Conservation

Hyundai E&C is committed to minimizing impacts on ecosystems and the natural environment across its projects and is actively pursuing various initiatives to conserve biodiversity. We utilize apartment complexes and public land to create habitats for native, endemic, and endangered plant species, as well as conduct monitoring and maintenance in collaboration with specialized institutions. We offer biodiversity education and experiential programs for residents and the local communities, contributing to raising environmental awareness and promoting the value of ecological conservation. We intend to expand specialized activities linked to ecosystem conservation under our residential brand and continue to strengthen management systems related to natural capital and biodiversity.

Key Technologies

Noise/Vibration

- Inter-floor noise reduction
- Noise/vibration control

Building Structure

- Seismic/wind-resistant design
- OSC(Offsite Construction)

Construction Materials

- High-performance, high-quality concrete
- Eco-friendly/advanced composite materials technology

Eco-friendly Energy

- Building energy management technology
- Design/demonstration of healthy housing

About HDEC

Plant

Our Plant Division prioritizes safety and quality throughout the entire project lifecycle, leveraging its experience and technical expertise in engineering, procurement, and construction (EPC). We are committed to enhancing project efficiency and quality by building a smart design and construction management system leveraging digital transformation technologies. We are executing large-scale petrochemical and industrial infrastructure projects in key markets such as Saudi Arabia, Iraq, and Korea, thereby building global project execution capabilities and contributing to the realization of a sustainable future. In the oil and gas sector, we are continuously enhancing our capabilities across the entire EPC spectrum, leveraging our experience in executing global mega-projects. Our experience in executing large-scale projects in key markets have helped us build technical expertise and project management capabilities. Building on this experience, we are expanding our involvement from the initial front-end engineering design (FEED) stage of projects. In response to energy transition, we are gradually expanding our business scope into low-carbon energy sectors such as hydrogen and ammonia, electrolysis, and SAF. We are reviewing and pursuing diverse business opportunities, including clean hydrogen production, ammonia-based transportation and utilization technologies, electrolyzer-based water electrolysis systems, and SAF plants. Building on our existing plant execution experience, we are evaluating the applicability of relevant design and operational technologies and are systematically securing the capabilities needed to execute future projects. Our Plant Division plans to continue stable project execution based on its capabilities in existing core businesses, while diversifying its business portfolio by securing technical capabilities and accumulating experience in new energy sectors. Our ultimate goal is to solidify the foundation for sustainable growth in the medium to long term.

Upgrading Facilities at the Basra Refinery in Iraq

The Basra Refinery Upgrading Project in Iraq is a mega-project that converts low-value residual oil into high-quality gasoline using a fluid catalytic cracking (FCC) unit. By applying a large-scale modular construction method, the project shortened the construction schedule and ensured quality, while contributing to Iraq's energy self-sufficiency by producing eco-friendly fuel that meets the 'Euro 5' emission standard.



CCUS(Carbon Capture, Utilization, and Storage)

In 2025, we conducted a feasibility study for a clean ammonia development project in Central-Western Australia with a production scale of 1 million tons of blue ammonia, integrated with carbon capture and storage(CCS) technology. Through this, we have secured a foundation for future participation in the project's FEED/EPC phases. We are also diversifying our global portfolio of clean hydrogen and ammonia projects linked to CCUS.

Water Electrolysis

Centered around a dedicated organization for the water electrolysis business, we are working to produce green hydrogen linked to renewable energy and build hydrogen infrastructure. We intend to gain relevant experience through participation in the Saemangeum water electrolysis plant project. Additionally, we are proposing carbon reduction solutions to major industrial sectors and expanding our business foundation through demonstration projects and collaborations.

Hydrogen & Ammonia

We have established a dedicated organization for hydrogen and ammonia projects to discover business opportunities together with certified engineers and suppliers. Leveraging our experience in the Buan water electrolysis project in Korea, we are proactively responding to the energy paradigm shift and focusing on securing practical business capabilities to accelerate the transition to low-carbon energy based on hydrogen.

SAF(Sustainable Aviation Fuel)

Led by our SAF business unit, we are building capabilities in production process design and feasibility studies through collaboration with technology firms worldwide. Based on this foundation, we are increasing our participation in early-stage projects and gradually strengthening our execution capabilities in the SAF plant sector.

Key Technologies

Smart Plant

- Digital twin-based design and operation technology
- Smart diagnosis and control technology

Water Electrolysis

- Integrated design technology linking electrolyzers and auxiliary equipment
- Stable hydrogen production through facility optimization

Oil & Gas

- Integrated design capabilities capable of handling projects from the FEED stage
- Shortened construction schedules and enhanced quality and safety through modular construction

SAF

- Feedstock pretreatment and purification technology
- Process design for SAF production

Hydrogen & Ammonia

- Capabilities in electrolysis-based hydrogen production and facility construction
- Hydrogen conversion technology through ammonia cracking

About HDEC

New Energy

Our New Energy Division is continuously strengthening its EPC capabilities for large-scale nuclear power plants, building on its track record and experience in constructing the most NPPs in Korea and achieving the country's first nuclear power plant export. Starting with the Kori Nuclear Power Plant Unit 1 in 1971, the division has secured differentiated execution capabilities through 55 years of accumulated NPP construction experience, a track record of constructing approximately 63% of Korea's nuclear power plants, participation in the construction of 24 out of 36 Korean-designed large-scale nuclear reactors both domestically and internationally, and experience in the simultaneous construction of 10 nuclear reactors. In accordance with the energy-oriented growth strategy "H-Road" announced in 2025, we are building an energy value chain centered on large-scale NPPs and SMRs. Moreover, we are expanding our business portfolio across the entire NPP lifecycle to include nuclear decommissioning, spent nuclear fuel storage facilities, nuclear-linked electrolysis hydrogen production, and nuclear fusion power generation. In November 2024, we signed an engineering services contract (ESC) for Units 7 and 8 of the Kozloduy NPP New Builds project in Bulgaria, which is currently in its design stage. In October 2025, we secured a FEED contract with Permi America for four AP1000 units at the HyperGrid™ Campus in Texas. Through such initiatives for participating in NPP projects in North America and Europe, we are solidifying our position in the global nuclear power market. We are also pursuing industrial diversification by securing technological capabilities related to molten salt reactors (MSRs) and sodium-cooled fast reactor (SFRs)—fourth-generation reactors garnering attention as next-generation SMRs. In addition, our New Energy Division is growing its influence in the carbon-free future energy market by strengthening its business competitiveness in a number of energy sectors—including power transmission and distribution, and renewable energy—beyond the nuclear field.

Bulgaria Kozloduy Nuclear Power Plant Units 7 and 8(Artist's rendering)

This project involves the construction of two large-scale NPPs with a total capacity of 2,200 MW (1,100 MW each) at the Kozloduy Nuclear Power Plant in the Kozloduy region of northern Bulgaria. It is Bulgaria's first large-scale NPP to utilize the AP1000, the latest reactor model designed by Westinghouse Electric Company in the US. Following the ESC signing for Units 7 and 8, Hyundai E&C will serve as a key partner in this project, performing Balance of Plant and site infrastructure design, as well as providing support for licensing and permitting, leading up to the EPC main contract phase. Leveraging our EPC expertise demonstrated through the Barakah Nuclear Power Plant in the UAE and large-scale nuclear power projects in Korea, as well as our safety and quality management capabilities that meet international regulatory standards, Hyundai E&C will successfully execute the Kozloduy project and further strengthen our standing in the large-scale nuclear power markets of Bulgaria, Europe, and North America.



Large-Scale NPP/SMR

Centered on large-scale NPPs and SMRs, we are expanding eco-friendly technologies across the entire NPP lifecycle, including decommissioning, spent fuel storage facilities, nuclear-linked electrolysis hydrogen production, and nuclear fusion power generation. In addition to accelerating our entry into the global SMR market through the Palisades SMR-300 First-of-A-Kind (FOAK) project in the US, we are laying the foundation for next-generation carbon-free energy technologies by securing technical capabilities related to fourth-generation reactors, such as MSRs and SFRs.

Renewable Energy

Hyundai E&C has demonstrated its capabilities in the renewable energy sector by successfully executing all phases—from project development to EPC and operation and maintenance (O&M)—of the Seosan Solar Power Plant, Korea's first large-scale solar power facility. We also completed the Sarulla Geothermal Power Plant in Indonesia and the Daesan Biomass Power Plant and the Saemangeum Onshore Solar Power Project (Zone 3) in Korea. We also participated in the Lucy Solar Project in Texas, US, laying the groundwork for a full-scale entry into the overseas renewable energy market. Additionally, we are carrying out numerous water electrolysis-based demonstration projects, including clean hydrogen production via low-temperature water electrolysis linked to the Ulju Nuclear Power Plant, as well as the Jeju Green Hydrogen Demonstration Project.

Key Technologies

Large-Scale NPP

- Optimal design and production technologies for modular large-scale NPPs
- Automated welding technology for ultra-large nuclear reactor hangar structures

Decommissioned NPP Service/Spent Nuclear Fuel

- Decommissioned site restoration technology
- Dry storage technology for spent nuclear fuel

Renewable Energy

- Optimization of renewable energy facilities (e.g., solar/wind farms)
- Development of green and clean hydrogen linkage technologies
- Development of Hybrid battery energy storage system(BESS) business models

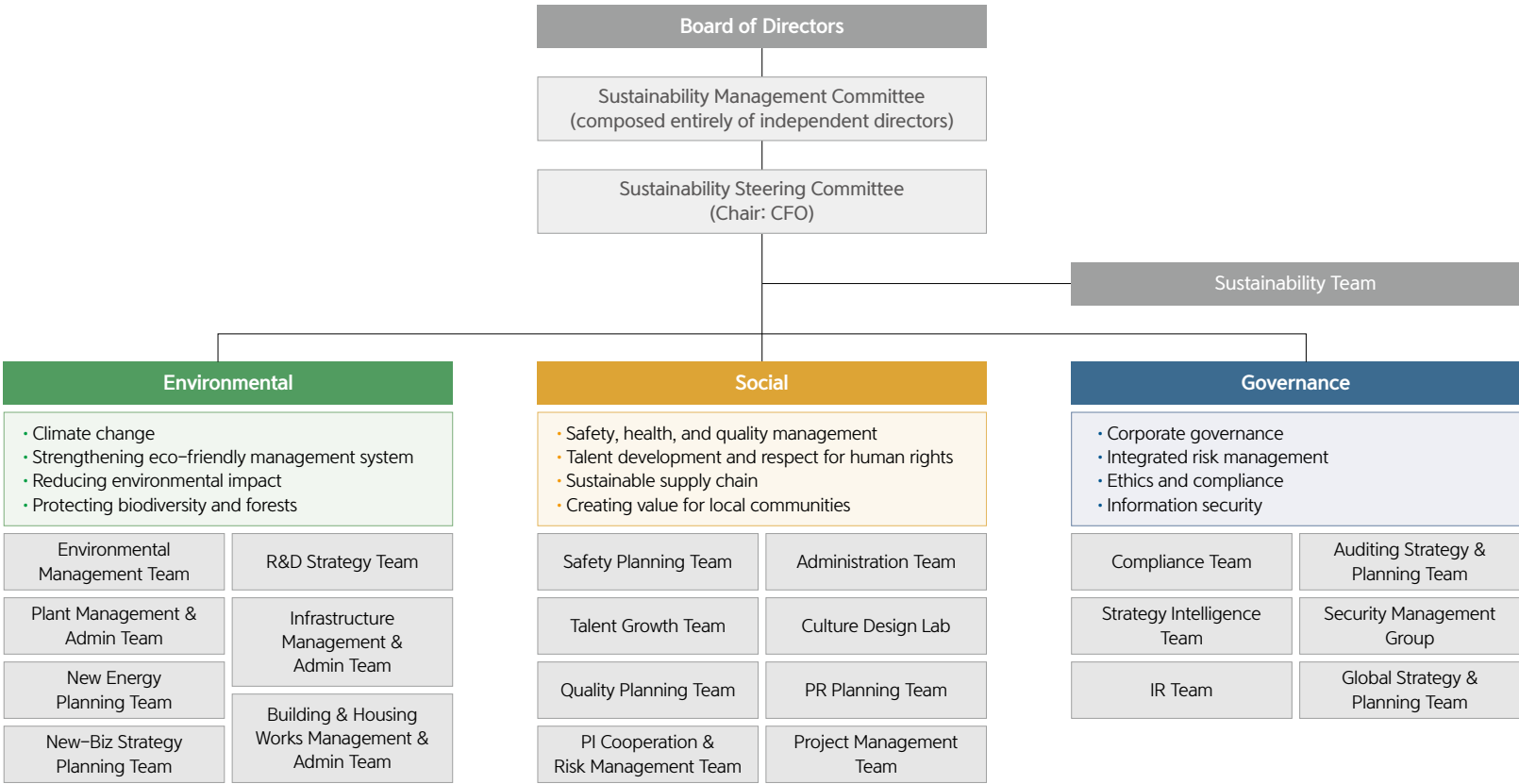
SMR/Next-Generation Reactor

- SMR value engineering (VE) designs
- Core technologies for next-generation reactor

Sustainability In HDEC

Sustainability Management Governance

Hyundai E&C’s sustainability management governance is operated under the Sustainability Management Committee, which reports to the Board of Directors (BOD), and is practiced company-wide through the Sustainability Steering Committee under the leadership of the Chief Financial Officer (CFO). To ensure systematic management and oversight of ESG and sustainability issues, we are establishing a dedicated management system led by the Sustainability Disclosure Officer. The Sustainability Steering Committee discusses material ESG topics such as climate change, occupational safety and health, and quality management. These matters are escalated to the Sustainability Management Committee, the highest decision-making body, for review and approval.



▲ Annual Sustainability Management Process

January	February – March	April	June – July	September – October	December
- Review ESG evaluation indicators and draw out tasks for improvement - Materiality assessment	- Discuss and determine ESG-related key performance indicators (KPIs) based on the materiality assessment - Report to the BOD (Sustainability Management Committee)	Plan and determine overall evaluation	- Issue sustainability report - Report to the BOD (Sustainability Management Committee)	Conduct interim assessment on tasks for improvement	- Final assessment and recognition for outstanding departments - Reflect results in headquarters KPIs - Report to the BOD (Sustainability Management Committee)

Sustainability Management Committee

Composed entirely of independent directors, the Sustainability Management Committee is responsible for reviewing and approving ESG-related matters at Hyundai E&C. In March 2026, the committee changed its name from the former Corporate Governance and Communication Committee as its role expanded to evaluating the performance of the Chief Safety Officer. The Sustainability Management Committee plays a pivotal 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 material ESG and other non-financial management issues, and the performance evaluation of the Chief Safety Officer.

Sustainability Steering Committee

At Hyundai E&C, the CFO serves as the chair of the Sustainability Steering Committee and acts as the Chief Sustainability Officer, overseeing all ESG matters and making substantive decisions. The committee is composed of working-level personnel responsible for key ESG-related issues, such as occupational safety and health, quality management, climate change, ethics and compliance. The committee operates regularly based on the principles of sharing performance and information updates. The committee may also convene as needed to address urgent matters such as public disclosures or external evaluations. By carrying out company-wide ESG planning, direction-setting, and risk mitigation activities, as well as sharing key ESG issues and information, the committee supports the alignment and implementation of Hyundai E&C’s ESG strategy.

Sustainability Team

The Sustainability Team’s roles include ESG planning, managing, and coordination across the enterprise. The team establishes an ESG management framework and embeds it throughout the organization, while also ensuring collaboration and disclosing ESG-related information externally. To advance the ESG system, the team defines management indicators, as well as operates and enhances data systems to build and maintain a framework that integrates data collection with disclosure. The team also identifies areas for improvement and collaborates and coordinates with relevant personnel to help them ensure follow-up. Based on the internal control system for sustainability disclosure, the team reviews the accuracy and completeness of ESG data collected from business departments and conducts error checks. It also formulates strategies in response to changes in disclosure standards and regulations. In particular, the team has documented the definitions of each ESG indicator to clarify the calculation criteria and management systems. Data consistency reviews are also conducted to enhance the reliability of disclosed data. The team contributes to data enhancement through standardization and system integration to continuously improve the quality and utility of company disclosures. Based on this data management and internal control system, the Sustainability Team remains dedicated to ensuring disclosure reliability by proactively identifying and managing risks with a high likelihood during the disclosure process and coordinating third-party assurance when necessary.

Sustainability In HDEC

Sustainability Management Strategy

As a global leader in construction, Hyundai E&C has established its 2025 sustainability vision, “We Build a Sustainable Future,” to contribute to a more sustainable future for humanity and the environment. While carrying out fully-fledged strategies under this vision, we are advancing ESG management centered on three strategic directions—realizing a low-carbon society, enhancing the quality of life, and building stakeholder trust—along with nine strategic tasks. We aim to embed sustainability across our operations and generate tangible outcomes by encouraging company-wide execution. In particular, by solidifying the foundation for sustainability management—including the advancement of ESG management systems, reinforcement of data-driven decision-making, and compliance with global disclosure standards—we are building a system where strategy and execution are organically linked.

Vision

We Build a Sustainable Future

Strategic Direction



Realize a Low-carbon Society



Enhance the Quality of Life



Build Stakeholder Trust

Strategic Tasks



Implementing Carbon Neutrality by 2045



Carbon Reduction Across the Value Chain



Environmental Management Implementation



Talent Development and Respect for Human Rights



Building Safe Workplaces



Creating Value for Local Communities



Strengthening Supply Chain Capabilities



Quality Management for Customer Satisfaction



Ethics and Compliance Management

Sustainability In HDEC

Sustainability-related Risk Management

Hyundai E&C conducts materiality assessments each year to identify material sustainability issues related to our operations. These issues are managed by taking into account the importance to stakeholders and business impacts. Based on the identified material issues, we set priorities and promote company-wide implementation and performance management. For more information on Hyundai E&C's materiality assessment process and the material issues selected, please refer to the 'Double Materiality Assessment (p.22-27)' section of this report

Risks and Opportunities regarding Sustainability (Top 5)

No	Sustainability Strategy	Area	Issue	Social and Environmental Impact		Financial Impact	
				Definition of Impact	Impact Type ¹⁾	Definition of Risk and Opportunity	Impact Type ¹⁾
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	• Higher regulatory response costs from stricter safety-related regulations (e.g., enhancement of workplace safety and health management systems) • Monetary penalties and compensation costs resulting from legal violations in the event of safety incidents; reduced operating profits due to project delays	Risk
2	Build Stakeholder Trust Quality management for customer satisfaction	Social	Quality management	• Reduced customer satisfaction and damage to life and property caused by quality defect	Actual / Negative	• Repair costs due to quality defects; compensation payments in case of civil litigation	Risk
3	Realize 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 GHG emissions resulting from the extensive use of materials and energy	Actual / Negative	• Increased regulatory response costs from stricter GHG regulations • Rise in operating costs caused by increased procurement costs for carbon-intensive raw materials (e.g., steel, cement), as well as costs associated with sourcing 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	Risk
						• Revenue growth from new business opportunities, such as carbon-free power generation projects (e.g., SMRs) and renewable energy projects (e.g., solar power plants)	Opportunity
4	Build Stakeholder Trust Strengthening supply chain capabilities	Social	Supply chain management	• Strengthened capabilities of individual suppliers and enhanced industry competitiveness through shared growth initiatives	Actual / Positive	• Increased cost burden of securing alternative supply chains due to suppliers' insufficient ESG performance	Risk
						• Lower operating costs through the establishment of a stable supply chain • Increase in competitiveness and sales through mutual growth with suppliers	Opportunity
5	Build Stakeholder Trust Ethics and compliance management	Governance	Ethics and compliance management	• Undermined of fair competition in the industry and erosion of the foundation of business ethics due to unfair trade practices and ethical misconduct	Actual / Negative	• Monetary penalties and compensation costs resulting from legal violations in the event of ethical misconduct or corrupt acts • Revenue decline resulting from business suspension in the event of serious violations	Risk

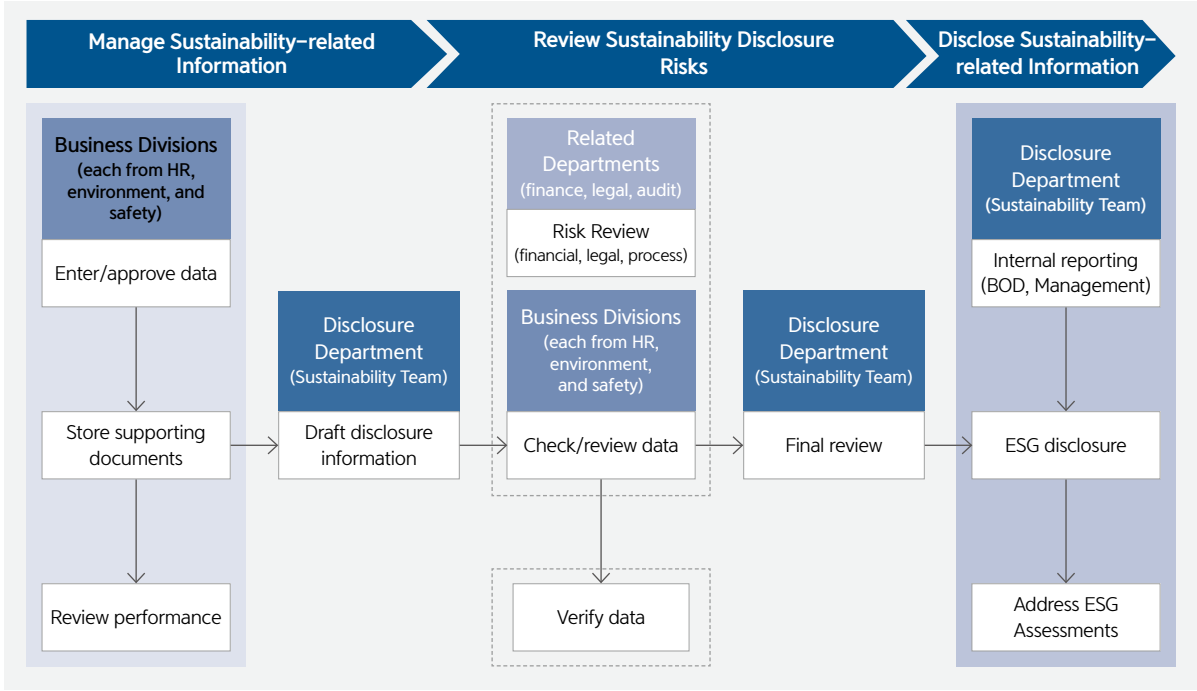
1) Impact types serve as criteria for distinguishing between the social and environmental impacts of sustainability-related issues on the external environment and their financial impacts on the company (social and environmental impacts are classified as actual or potential, and positive or negative, depending on whether they have occurred; financial impacts are classified as risks or opportunities based on their effect on corporate value).

Sustainability In HDEC

Sustainability-related Risk Management

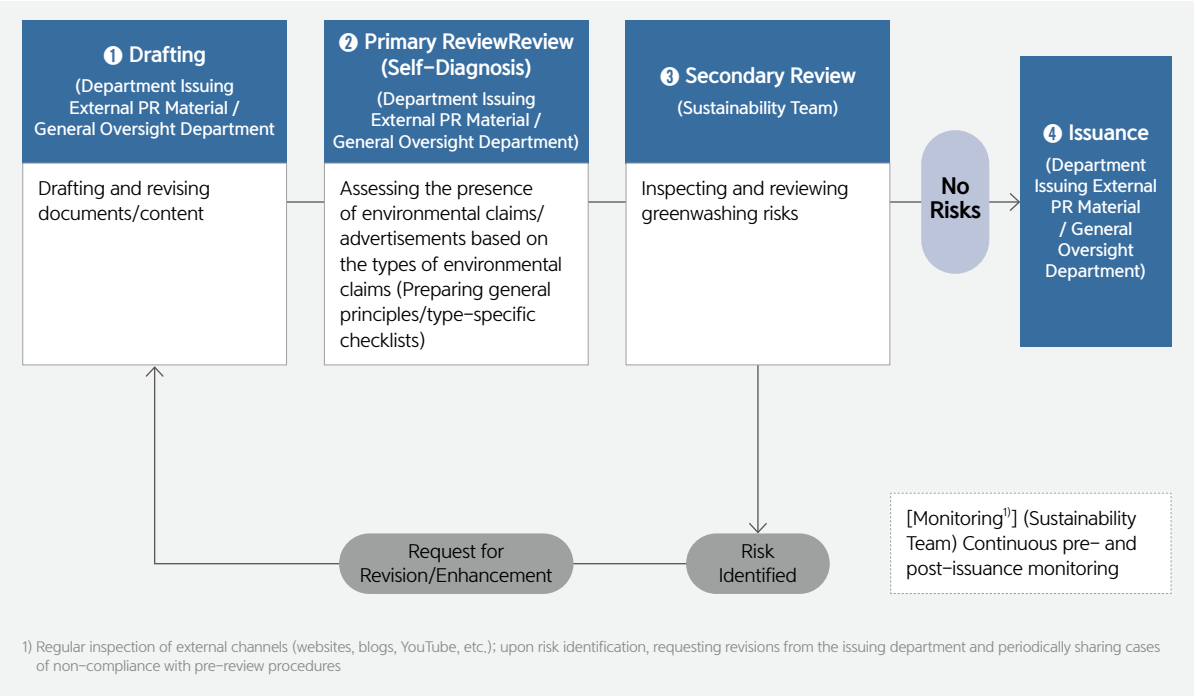
Sustainability Disclosure Requirements

At Hyundai E&C, our internal controls cover the entire process of ESG data collection, verification, and reporting to ensure the reliability and accuracy of sustainability disclosures. This aligns with disclosure requirements and standard operating procedures, which clearly define the purpose, scope, authority and responsibility, risk management, and inspection systems, and are applied company-wide. Additionally, roles and responsibilities are clearly delineated among management, the BOD, the disclosure officer, and the responsible departments for accountability and transparency in the disclosure process. ESG data generated and entered by each department are reviewed and verified by the Sustainability Team before disclosure. When necessary, we conduct third-party assurance to further ensure data reliability. In particular, we minimize the risk of errors and omissions by operating a step-by-step control process—covering data entry, review, approval, and disclosure. We work to improve data consistency and management efficiency through systematized calculation standards, personnel and history management, and supporting document control using ESG IT systems. Going forward, Hyundai E&C plans to continuously manage disclosure risks by enhancing our internal controls, as well as apply stricter standards to meet domestic and international ESG disclosure requirements (e.g., KSSB, ESRS).



Greenwashing Prevention Process

In March 2025, Hyundai E&C adopted a separate pre-screening process to prevent greenwashing risks. Under the leadership of the Sustainability Team, we conduct preliminary reviews of all external communications entailing environmental claims. For environmental terms like “eco-friendly” and “carbon reduction,” we verify the availability of objective evidence and supporting documentation to prevent the dissemination of exaggerated or misleading information. Additionally, we are conducting company-wide online training to raise employee awareness. In March 2025, we held a session on greenwashing review guidelines, which was completed by 137 out of 148 employees (a 92% completion rate). This initiative supports frontline staff in understanding the review criteria for environmental claims and applying them to their work. Along with pre-screening, we have also enhanced our post-monitoring system. We constantly monitor various external channels, such as our website, blog, and YouTube channel, and immediately request corrections from the relevant departments if any risks are identified. To prevent the recurrence of similar issues, we regularly share cases of non-compliance to further reinforce company-wide management.



Sustainability In HDEC

Sustainability Metrics and Targets

Based on our vision of “We Build a Sustainable Future,” Hyundai E&C is systematically advancing its 2030 sustainability management goals centered on three core sustainability strategies and nine specific areas, and specifically manages and refines ESG KPIs based on this framework. We are executing multiple initiatives accompanied by tangible results, including GHG reduction in line with our 2045 net-zero roadmap anchored in 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. Our goal is to lead innovation and change for a sustainable future through our commitment to improving our mid- to long-term sustainability targets and ESG management.

Sustainability Management Strategies and Goals

Sustainability Strategy	2030 Sustainability Management Goal	Sustainability KPIs	Unit	2024	2025	2026 Target/Estimate	Relevant Pages
 Realize a Low-carbon Society	- Implementing carbon neutrality by 2045 - Carbon reduction across the value chain - Environmental management implementation - Reducing GHG emissions in line with SBTi standards (46.2% in Scope 1 and 2; 25% in Scope 3 by 2030, compared to the base year) - Expanding the proportion of sustainable products and services to over 60% of separate revenue	GHG emissions reduction achievement rate ¹⁾	%	314	267	100	79
		Renewable energy consumption	MWh	123	627	794	76
		Sales share of sustainable products and services ²⁾	%	61	61	60	78
		Investment in low-carbon R&D ³⁾	KRW 100 million	26	17	20	78
		Green purchasing	KRW 100 million	7,621	7,797	7,201	110
		Environmental investment	KRW 100 million	452	522	443 ⁴⁾	91
 Enhance the Quality of Life	- Talent development and respect for human rights - Building safe workplaces - Creating value for local communities - Talent development; improved organizational culture - 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 Nations Sustainable Development Goals (UN SDGs)	Training cost per employee	KRW	286,205	444,988	447,410	105
		Organizational culture assessment	Points	80.0	79.7	80.0	105
		Employee LTIFR	Number/million hours worked	0.529	0.342	0.325	43
		Donation ratio linked to SDGs ⁵⁾	%	77	78	80	115
 Build Stakeholder Trust	- Strengthening supply chain capabilities - Quality management for customer satisfaction - Ethics and compliance management - Expanding ESG management in the supply chain and advancing quality control - Strengthening ethics and compliance management under a zero-tolerance policy - Promoting stakeholder-centered responsible management	ESG evaluation rate of tier-1 suppliers	%	89	95	98	110
		Customer satisfaction	Points	84.0	86.3	90.0	55
		Ethics training completion rate	%	91	87	88	129
		Shareholder return ratio ⁶⁾	%	39	39	25	123

1) GHG emissions achievement rate based on the 2045 carbon neutrality and SBTi-aligned reduction pathways
2) Application of EU Taxonomy economic activity classification criteria (Eligible)
3) Investment amount in EU Taxonomy-eligible R&D projects
4) Calculated based on projected 2026 revenue
5) Proportion of donations aligned with UN SDGs-related initiatives
6) (Dividends + Share Repurchases) / Non-Consolidated Net Income

Sustainability In HDEC

Key ESG Achievements

Hyundai E&C is enhancing its sustainability management performance by actively participating in the S&P Global Corporate Sustainability Assessment (CSA) and the Korea Institute of Corporate Governance and Sustainability (KCGS) evaluations to assess its capabilities and identify areas for internal improvement. By publicly disclosing these evaluation results to increase transparency, the company is strengthening its overall ESG governance framework through various actionable initiatives, including GHG emissions reduction, green bond issuance, enhanced safety investments, and improved board independence.

Environmental	Social	Governance			
Reduction in Greenhouse Gas Emissions 2025: Scope 1 & 2 Emissions: 228,498tCO₂-eq	Expansion of Investment in Safety Management 2025: KRW 298.5 Billion	Strengthening Board Independence and Governance Appointment of a Lead Independent Director and Operation of the Independent Directors' Council			
Expansion of Green Procurement 2025: KRW 779.7 Billion	Expansion of Human Resources Development 2025: Training Hours and Costs per Capita 41.68 Hours, KRW 444,988	Enhancing Committee Operations Increased Meetings of the Sustainability Management Committee (6 times → 8 times)Strengthening the Operation of the Nominating Committee for Independent Directors (Reporting on the Pool of Independent Director Candidates)			
Green Bond Issuance 2025: Issued KRW 310.0 Billion in Green Bonds (1 case): Investments in Green Building Certification and Renewable Energy Projects	Expansion of Community Contribution and Social Philanthropy Recognized as a “Distinguished Corporate Community Contribution Company” (S-Grade for 3 Consecutive Years)Awarded the Minister of Health and Welfare Citation	Fostering a Culture of Fair Trade and Ethical Compliance Achieved an “Excellent (AA)” Rating in the Compliance Program (CP) for 2 Consecutive Years			
S&P Global CSA (Corporate Sustainability Assessment) - Included in the Dow Jones Best-in-Class World Indices for 16 consecutive years - Included in the Dow Jones Best-in-Class Asia-Pacific Indices for 16 consecutive years - Included in the Dow Jones Best-in-Class Korea Indices for 17 consecutive years	MSCI ESG Rating: A ※ As of March 2026	Carbon Disclosure Project (CDP) - Received a Climate Change A in 2025 - Included in the CDP Korea Hall of Fame for 8 consecutive years - Included in the Platinum Club¹⁾ for 5 consecutive years 1) 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 consecutive years	Korea Institute of Corporate Governance and Sustainability (KCGS) - Total A in 2025 (8 consecutive years) - Environmental: A - Social: A+ - Governance: A	Institutional Shareholder Services (ISS) - ESG Corporate Rating C+ ESG QualityScore Alert - Environmental: 1 - Social: 1 - Governance: 2 ※ Lower scores imply relatively higher level of governance and low level of risks	Sustainalytics ESG Risk Rating: 22.2 ※ Classified by ESG risk level Severe (40+), High (30-40), Medium (20-30), Low (10-20), Negligible (0-10) ※ As of March 2026
S&P Global	MSCI	CDP	한국ESG기준원	ISS	SUSTAINALYTICS



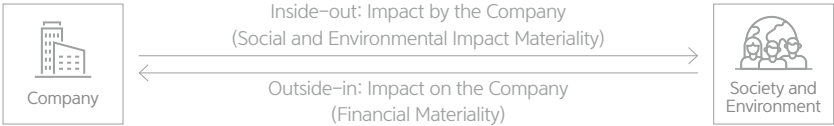
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Material Topic

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Occupational Safety and Health	28
Quality Management(Consumers and End-users)	44
Climate Change	56

Double Materiality Assessment

Hyundai E&C conducts an annual materiality assessment to identify sustainability factors that significantly impact its business operations and incorporate them into the risk management strategy development process. The assessment uses a double materiality assessment approach, comprehensively reflecting each issue's financial impact on the company, as well as the environmental and social impacts of Hyundai E&C's business activities.



Double Materiality Assessment Process

Hyundai E&C initially derived a primary Issue Pool relevant to its business activities based on the ESRS Sub-topics presented in the Simplified ESRS released in November 2025. This process comprehensively integrated the analysis of Hyundai E&C's sustainability strategies, ESG assessments, initiatives, media coverage, and legal/regulatory environments. Subsequently, the company identified Impacts, Risks, and Opportunities (IRO) for the top 10 topics from the initial pool, measuring both socio-environmental and financial materiality according to the characteristics of each factor. The assessment identified occupational safety and health, quality management, and climate change—consistent with the previous year's material issues—which were then reviewed and approved by the Sustainability Management Committee under the Board of Directors to be finalized as Hyundai E&C's material sustainability issues for 2025. Furthermore, these selected material issues are aligned with the enterprise risk management strategy, under which the company operates a governance framework designed to minimize negative impacts and maximize positive outcomes arising from its corporate activities.



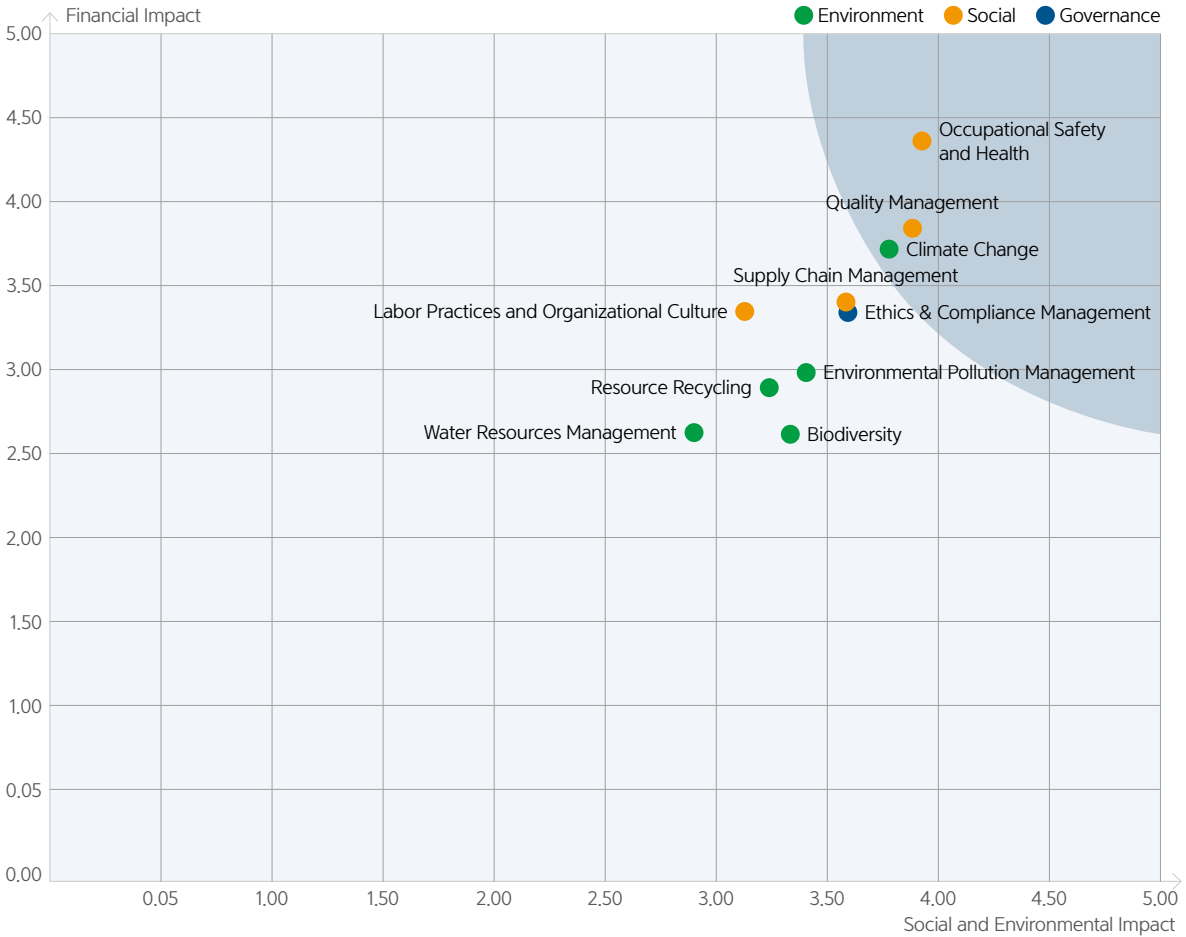
Double Materiality Assessment

Results of the Double Materiality Assessment

Hyundai E&C identified 10 sustainability issues based on their relevance to business operations and assessed the company’s environmental and social impacts separately from the financial impact of ESG issues on the company. After a comprehensive review of the assessment results to determine priorities, the company selected Occupational Safety and Health, Quality Management, and Climate Change as Hyundai E&C ‘s priority Material Issues. For Material Issues, Hyundai E&C reflected KSSB Standards No. 1 and No. 2 and transparently disclosed each issue’s financial impact issue on the company, response status, and management capabilities in accordance with governance, strategy, risk management, and the metrics and targets framework. For other issues, relevant information was included with reference to ESRS requirements.

▲ Changes in Material Issues from the Previous Year

No	2025 Material Issue	Changes	No	2025 Material Issue	Changes
1	Occupational Safety and Health	–(0)	6	Labor Practices and Organizational Culture	▼(2)
2	Quality Management	▲(1)	7	Environmental Pollution Management	▲(2)
3	Climate Change	▼(1)	8	Resource Recycling	▲(7)
4	Supply Chain Management	▲(1)	9	Biodiversity	▲(9)
5	Ethics & Compliance Management	▲(1)	10	Water Resources Management	▲(4)



Double Materiality Assessment

Status of Material Issue Management

Hyundai E&C identifies and manages Material Issues that could have a significant impact on its business activities. Based on these efforts, the company is implementing strategic response measures to drive long-term value creation and sustainable growth. For further details on each material issue, please refer to ‘Occupational Safety and Health(p. 28–43)’, ‘Quality Management (p. 44–55)’, and ‘Climate Change (p. 56–79)’.

Material Issue	Business Case	Business Impact	Business Strategy	Target and Progress		Executive Compensation(KPI)	GRI Index
Occupational Safety and Health	Due to its project-site-based work environment, heavy machinery operation, and high-intensity physical labor, the construction industry has a relatively higher likelihood of industrial accidents compared to other industries. Industrial safety accidents can have a significant impact on the lives of employees and their families. With the enforcement of the “Serious Accidents Punishment Act” the legal and operational risks borne by companies may also increase.	Risk	To embed an Occupational Safety and Health culture, we have introduced safety rules and are strengthening our safety management system through regular inspections and training. We conduct monthly occupational safety and health risk assessments, and when non-conformities are identified, we take immediate corrective action followed by an effectiveness evaluation. Additionally, we have obtained ISO 45001 and KOSHA-MS certifications and have introduced smart safety systems (HloS and accident prediction AI) to enhance our safety management standards. We also work to prevent safety accidents by providing occupational safety and health training to employees and expanding our safety and health investments.	[Target] Zero accident fatality rate per 10,000 workers by 2030, 5% annual reduction in lost-time injury rate (compared to the base year 2025)	[Progress] Lost-time injury rate of Own Workforce (incidents per million working hours) 0.342 Accident Fatality Rate: 0.59	Hyundai E&C has established Occupational Safety and Health indicators, such as fatality rates and the occurrence of serious accidents, within its executive KPIs, accounting for 4% of the total indicators. In addition, the company incorporates safety-related indicators into the KPIs of all employees to foster safety awareness and reinforce accountability.	403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-8 403-9 403-10
Quality Management	As various contractors and subcontractors participate throughout the entire process of design, construction, and maintenance, there is a likelihood of defects occurring in structures, facilities, and work environments. Quality defects can lead to safety accidents and result in a decline in asset value and economic losses. Ensuring a systematic level of Quality Management contributes to enhancing stakeholder trust and strengthening business competitiveness.	Revenue	Hyundai E&C has established and operates a quality management system for each construction phase to enhance customer satisfaction and ensure high quality. Based on this quality management system, we are promoting improvement activities that reflect the requirements of customers and stakeholders. In addition, we have established a company-wide quality management policy and seven quality norms to strengthen preventive quality management activities. Furthermore, we strive to improve customer satisfaction by conducting evaluations of the frequency of quality non-conformities and implementing quality management activities such as post-completion defect management and a 5-year free defect repair program.	[Target] Customer Satisfaction: 88 points in 2025, 90 points in 2026, 92 points in 2027	[Progress] 86.3 points in 2025	Hyundai E&C incorporates on-site evaluations, early defect prevention, and major defect prevention into its site KPIs to enhance quality. Additionally, the company sets quality-related targets that account for 10% of executive KPIs, and by establishing and managing targets for on-site evaluations, defects, and penalty points, the company aims to improve quality standards and enhance customer satisfaction.	Non-GRI
Climate Change	In line with global policy shifts centered on carbon neutrality, corporate obligations to reduce greenhouse gas emissions and regulatory requirements are continuously tightening, impacting the construction industry's revenue. As market demand for low-carbon and eco-friendly products expands and the renewable energy industry grows, business opportunities in the eco-friendly sector, particularly in high-efficiency buildings and renewable energy, are expanding.	Revenue	Based on SBTi certification, we have established a 2045 carbon neutrality goal. We are addressing Climate Change risks through a phased implementation plan that includes establishing on-site low-carbon operating systems and strengthening Value Chain collaboration. We are also pursuing to business opportunities arising from Climate Change by expanding our eco-friendly portfolio and investing in eco-friendly technology development.	[Target] Reduce 2030 Greenhouse Gas Emissions in line with SBTi Standards (46.2% reduction in Scope 1 and 2 emissions and 25% reduction in Scope 3 emissions compared to the base year ¹⁾) 2025 Targets ²⁾ Scope 1: 321,369 tCO ₂ -eq Scope 2: 137,064 tCO ₂ -eq Scope 3: 8,669,368 tCO ₂ -eq 1) Targets set for 67% of base-year Scope 3 emissions 2) Adjusted data based on SBTi-aligned targets	[Progress] 2025 Emissions Scope 1: 112,013 tCO ₂ -eq Scope 2: 116,487 ¹⁾ tCO ₂ -eq Scope 3: 5,984,916 tCO ₂ -eq 1) Market based	Hyundai E&C's executive KPIs comprehensively reflect Climate Change strategies, targets, and risk management factors, including carbon neutrality strategies/targets, the level of management system establishment, and performance in achieving greenhouse gas emissions and energy consumption reduction targets. These metrics account for 4% of the executives' overall performance metrics and are linked to the compensation system, including incentives and annual salaries.	201-2 302-1 302-3 302-4 305-1 305-2 305-3 305-4 305-5

Double Materiality Assessment

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

Hyundai E&C analyzes the impacts of its business activities on society and environment. Based on the materiality assessment, the company identifies the areas and scope of potential impact, along with the stakeholders and resulting effects, focusing on Material Issues such as Occupational Safety and Health, Climate Change, and Quality Management. The company has also quantitatively assessed the social costs associated with these impacts and presented them on this page. Additional positive and negative impacts, along with the financial impact of ESG factors on the company, are disclosed in the “Financial Impact from Risks and Opportunities Related to Material Issues” section of the report. Hyundai E&C measures the performance of its ESG activities to allocate resources efficiently, disclose relevant information transparently, and establish and actively implement response measures to expand ESG-related opportunities and minimize risks.

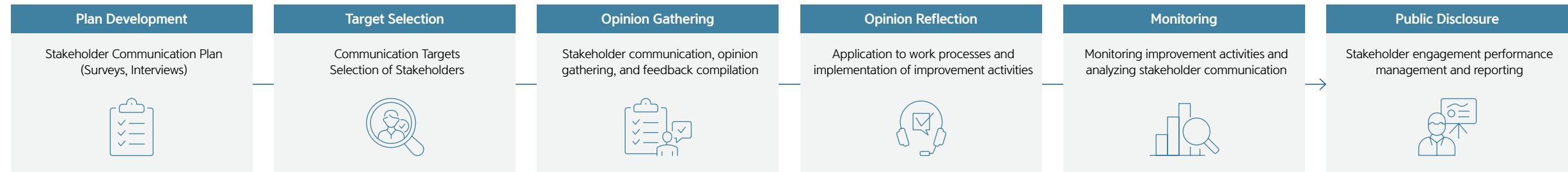
Category		Occupational Safety and Health	Quality Management	Climate Change
Causes of Impact	Value Chain	• Business Operations • Value Chain	• Products/Services	• Products/Services
	Scope of Activities	• 50% or more	• 50% or more	• 50% or more
Stakeholders/impact areas are evaluated		• Society • Value Chain(Own Workforce of Suppliers)	• Society • Consumers/End-users	• Environment • Consumers/End-users
Impact on Stakeholders		• [Actual/Negative] Harm to life and property caused by safety accidents involving the company's employees and construction workers from Suppliers at construction sites	• [Actual/Negative] Decline in customer satisfaction and harm to physical well-being and property due to quality defects	• [Actual/Negative] Acceleration of global climate change due to high greenhouse gas emissions resulting from the use of large quantities of materials and energy
Output Metrics		• 2025 Accident Fatality Rate per 10,000 Workers ¹⁾ : 0.59 (2025 estimate, lower than the industry average) 1) Accident fatality rate per 10,000 workers: The ratio of work-related fatalities per 10,000 workers covered by workers' compensation insurance	• Number of households residing in buildings certified for floor impact sound insulation performance (12,832 households as of 2025)	• Hyundai E&C's renewable energy (offshore wind) production in 2025: 234 GWh (annual) • Completion of two buildings with Energy Efficiency Grade 1++ in 2025 (Total area: 770,616 m ²)
Impact	Impact Valuation	• Social Cost Caused – According to research on the economic costs of industrial accidents, the average loss from one worker fatality at a company is KRW 2 billion, and industrial accidents not classified as major disasters result in losses of KRW 10.2 million per person. – Due to the nature of the construction industry, substantial physical labor is required, and the Own Workforce and Supplier employees are more susceptible to potentially hazardous situations compared to other industries. When safety incidents occur, they can harm employee health and cause economic losses for the country and society. – In 2025, industrial accidents resulted in approximately KRW 6.0 billion in social costs.	• Social Cost Avoided – To maximize customer satisfaction and provide high-quality housing services, Hyundai E&C developed H- Silent Home, a high-performance floor impact sound insulation material, and is currently applying it to housing complexes under construction. – Based on buildings completed in 2025, 12,832 households experienced reduced social inconvenience caused by inter-floor noise, resulting in a reduction of KRW 700 million in social inconvenience costs and thereby avoiding social costs.	• Social Cost Avoided – By converting the renewable energy production from the completion of Hyundai E&C's energy transition projects based on its greenhouse gas emissions reduction impact, the company monetized a social cost value of approximately KRW 7.3 billion. – By converting the annual energy savings from Hyundai E&C's completed buildings rated Energy Efficiency Grade 1++ or higher into social costs, the company avoided approximately KRW 940 million in social costs. The completion and actual use of buildings rated Energy Efficiency Grade 1++ or higher in 2025 are expected to save 28 kWh/m ² of electricity annually.
	Impact Metrics	• Number of work-related fatalities ¹⁾ × Cost of fatal accidents per person ²⁾ = 6,0 billion won 1) Number of work-related fatalities (3,00) based on the 2025 fatality rate per 10,000 workers 2) Costs calculated by taking into account the direct costs (medical benefits, temporary disability benefits, disability compensation, survivor benefits, and funeral expenses) and indirect costs (time lost by coworkers due to work stoppages, losses to employee welfare programs, etc.) presented in a study on the economic costs of industrial accidents (Park Chan-im & Lee Hae-chun, 2018)	• Cost of reducing inconvenience caused by inter-floor noise: KRW 54,442 per household per year ¹⁾ x Number of households in buildings completed in 2025 (12,832 households) = KRW 700 million 1) Cost of inconvenience due to inter-floor noise: 54,442 won per household per year (Estimated cost of inconvenience from inter-floor noise, Korea Research Institute for Human Settlements, Vol. 58)	• Greenhouse gas emissions reduction from offshore wind power ¹⁾ × Social cost of carbon per ton of greenhouse gas emissions ²⁾ = USD 5.48 million (approximately KRW 7.3 billion) • Greenhouse gas emissions reduction from actual use of Energy Efficiency Grade 1++ buildings ³⁾ × Social cost of carbon per ton of greenhouse gas emissions ²⁾ = Approximately USD 510,000 (KRW 680 million) 1) Value calculated using the External Project Greenhouse Gas Emissions Reduction Calculator (Korea Energy Agency's Emissions Trading Scheme for External Projects in Various Industries and Transition Sectors); based on annual offshore wind power generation of 234,000 MWh, the greenhouse gas emissions reduction amount is 107,502 tCO₂-eq 2) The social cost of carbon emissions of \$51 per ton (approximately KRW 68,177), as presented in "Measures to Enhance Acceptance of the Carbon Pricing System Reform" (Korea Institute of Public Finance, 2022) 3) Area of Energy Efficiency Grade 1++ buildings (770,616 m²) × Energy savings per Energy Efficiency Grade 1++ building compared to general buildings (28 kWh/m² per year) × Greenhouse gas emission conversion factor (0.4594 tCO₂-eq/MWh)

Double Materiality Assessment

Stakeholder Engagement

Hyundai E&C has identified seven key stakeholder groups from both business and functional perspectives and maintains tailored communication channels for each group, considering their specific characteristics. Going forward, the company plans to strengthen communication-centered sustainable management by gathering stakeholder feedback to identify key concerns and reflecting this feedback across overall business operations.

Participation Process by Stakeholder Group



Communication Channels and Key Concerns by Stakeholder

[illegible]

Double Materiality Assessment

Stakeholder Engagement

Stakeholder Communication

Hyundai E&C actively responds to ESG assessments in domestic and international capital markets, including S&P Global, Korea Institute of Corporate Governance and Sustainability (KCGS), MSCI, ISS, and CDP, and is strengthening its disclosure of ESG management information by reflecting standards such as GRI, KSSB, SASB, and the WEF Stakeholder Capitalism Metrics. In addition, the company maintains ongoing communication with stakeholders through online and offline channels with domestic and international regulatory agencies, investment institutions, and non-profit organizations, and incorporates these inputs into its ESG direction and related management activities.

Environmental

Key Activities	Stakeholders
Cooperation in the nuclear power Value Chain, including the Palisades SMR-300 project in the U.S.	Customers(Holtec of the U.S.)
Cooperation on nuclear power projects in Finland and Europe	Customers(Fortum of Finland, Westinghouse of the U.S.)
Memorandum of Understanding to identify business opportunities in pumped storage, data centers, ammonia, and LNG	Customers(Itochu Corporation of Japan)
Memorandum of Understanding to Expand Supply of Solar Power Plant PPAs	Government, Media, and Associations (Korea Solar Power Association, Good News Energy)
Memorandum of Understanding for the Application and Commercialization of CCU Technology at YK Steel's Dangjin Plant	Customers(YK Steel)
Biodiversity Conservation Garden Creation Project	Government, Media, and Associations, Affected Communities, and NGOs (Gangwon State Natural Environment Research Park, World Vision, etc.)
River Ecosystem Conservation Activities	Government, Media, and Associations, Affected Communities, and NGOs(Coalition for Environmental Action)



Governance

Key Activities	Stakeholders
Communication on Anti-Corruption Issues	Government, Media, and Associations (Ethics Committee of the Norwegian Government Pension Fund)
Sharing carbon emissions reduction and sustainability policies	Customers(Overseas Clients, etc.)
Responding to ESG inquiries from domestic and international investment institutions	Shareholders and Investors (Mirae Asset Management, Hanwha Asset Management, Niche Asset Management, Barings Asset Management, etc.)
IR Communication	Shareholders and Investors (Pension Funds, Credit Rating Agencies, Asset Management Companies, Securities Firms, Overseas Investors)
Annual General Meeting	Shareholders and Investors
Hosting CEO Investor Day	Shareholders and Investors

Social

Key Activities	Stakeholders
Jongno-gu Community Partnership Program	Government, Media, and Associations, Affected Communities, and NGOs (Jongno-gu Office, Gahoe-dong Community Center)
Support Programs for Vulnerable Groups in Affected Communities	Affected Communities and NGOs(Jongno General Social Welfare Center, Korean Red Cross, Community Chest of Korea, etc.)
Youth Mentoring and Scholarship Program	Affected Communities and NGOs(ChorogUsan for children)
Energy Welfare Program for Vulnerable Groups and Social Welfare Facilities in Seoul	Government, Media, and Associations, Affected Communities, and NGOs (Seoul Metropolitan Government's Climate and Environment Headquarters, Korea Energy Agency, Seoul Council on Social Welfare)
Disaster Preparedness Program	Affected Communities and NGOs (Plan International, Construction Industry Foundation for Social Responsibility)
Neighborhood Improvement Project Near Construction Sites	Affected Communities and NGOs(Hope Joyagdol, etc.)
Community Support Program for Vulnerable Group Near Global Project Sites	Affected Communities and NGOs(Global NGOs)
Labor-Management Council and Supplier Roundtables	Own Workforce and Supplier employees

Occupational Safety and Health

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Governance

Decision-Making Body Overseeing Occupational Safety and Health-related Risks and Opportunities

Responsibilities of the Decision-Making Body

The Board of Directors is the highest decision-making body responsible for managing and overseeing Hyundai E&C’s occupational safety and health risks and opportunities. The Sustainability Management Committee, operating under the Board of Directors, has been delegated authority by the Board of Directors to review and approve major non-financial management issues, including environmental, social, and governance (ESG) matters, and to evaluate the performance of the Chief Safety Officer (CSO). The Committee deliberates on and resolves relevant agenda items, reviews Occupational Safety and Health issues, and evaluates the performance of the CSO.

Competence, Capabilities, and Development of the Decision-Making Body

Hyundai E&C’s Nominating Committee for Independent Directors comprehensively evaluates key ESG competencies, including occupational safety and health, when reviewing the expertise and experience of independent director candidates. Additionally, the company conducts annual safety training for independent directors to develop the Board of Directors’ safety capabilities. In 2026, Shin Jae-Jum, an executive director and Chief Safety Officer (CSO), was appointed, and the company plans to continue strengthening the Board of Directors’ Occupational Safety and Health capabilities.

Details of Safety and Health Training for Independent Directors

Date	Organizer	Main Content
June 11, 2025	Company (Internal Training)	Enhancing Understanding of the Construction Industry Through On-Site Safety Training

Methods and Frequency of Reporting to the Decision-Making Body on Risks and Opportunities

Hyundai E&C’s Sustainability Management Committee receives occupational safety and health performance reports from the Chief Safety Officer twice a year and conducts evaluations of the Occupational Safety and Health officer based on these reports. In 2025, the Committee reviewed key agenda items, including occupational safety and health performance reports for the first and second halves of the year, reports on Occupational Safety and Health management strategies, and approval of contributions to the Industrial Mutual Growth Safety Foundation. Through this process, the Committee regularly oversees the direction of the occupational safety and health management system operated by the Chief Safety Officer, thereby embedding stakeholder safety as the top priority in corporate management. In February 2026, the Board of Directors passed resolutions on the appointment of the CSO and approval of the Occupational Safety and Health management system operation plan, solidifying its role as the highest decision-making body for occupational safety and health matters.

Details of Board of Directors Resolutions Related to Occupational Safety and Health

Date	Details	Approval Status
January 22, 2025	Approval of the 2025 Occupational Safety and Health Management System Operation and Plan	Approved

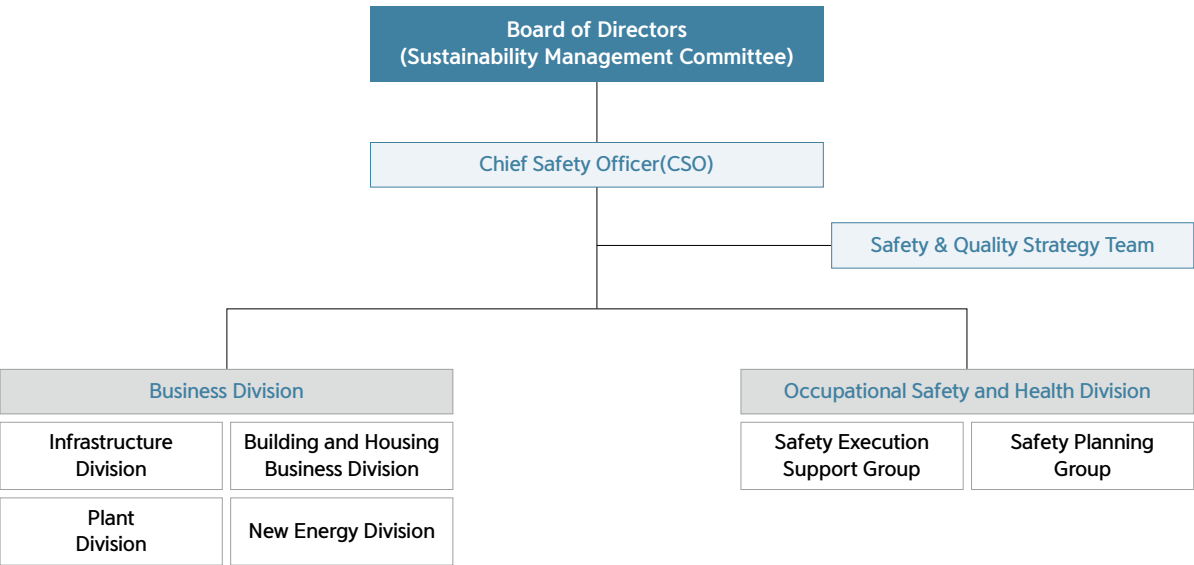
Details of Reports to the Sustainability Management Committee Related to Occupational Safety and Health

Date	Details	Approval Status
January 22, 2025	Occupational Safety and Health Performance Report for the Second Half of 2024	Reported
July 18, 2025	Occupational Safety and Health Performance Report for the First Half of 2025	Reported
December 17, 2025	Occupational Safety and Health Management Strategy Report 2025 Social Contribution Performance Report(Approval of Contribution to the Industrial Mutual Growth Safety Foundation Fund)	Reported

※ As of March 26, 2026, the Corporate Governance and Communication Committee was renamed the Sustainability Management Committee

Occupational Safety and Health Governance Organization

(As of June 2026)



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Governance

Decision-Making Body Overseeing Occupational Safety and Health-related Risks and Opportunities

Approach to Considering Trade-offs Between Risks and Opportunities

Hyundai E&C’s Sustainability Management Committee manages occupational safety and health goal setting and performance while comprehensively considering potential Occupational Safety and Health risks and opportunities that may arise in the course of business activities. In particular, the Committee minimizes related risks by using mid- to long-term occupational safety and health strategies and policies as key criteria for decision-making.

Management and Oversight of Goal Setting and Progress

Hyundai E&C’s Sustainability Management Committee manages and oversees progress against Occupational Safety and Health targets established by each business division, along with policy management indicators such as disaster management metrics, safety investments, and regulatory compliance.

Roles Delegated to Management and Oversight Methods

Hyundai E&C’s Sustainability Management Committee delegates operational authority regarding occupational safety and health to the Chief Safety Officer (CSO) and the Occupational Safety and Health Council, thereby establishing a response system based on expertise. The Sustainability Management Committee oversees the fulfillment of management responsibilities by regularly receiving reports on key policies and performance from the CSO and providing final approval and review.

▲ Responsibilities and Authorities Delegated to the Chief Safety Officer

Measures regarding the establishment and implementation of the Occupational Safety and Health management system, including the personnel and budget necessary for accident prevention	Measures regarding the formulation and implementation of measures to prevent recurrence in the event of an accident
Measures regarding the implementation of improvements and corrections ordered by central administrative agencies and local governments in accordance with relevant laws and regulations	Management measures required to fulfill obligations under Occupational Safety and Health laws and regulations
Establishment of company-wide Occupational Safety and Health policies and objectives	Final decision and approval of company-wide Occupational Safety and Health management work plans
Listening to employee opinions on Occupational Safety and Health and implementing improvement measures	Evaluation of the Occupational Safety and Health management system when selecting and operating contractors, service providers, and consignees

Controls and Procedures to Support the Oversight of Risks and Opportunities

Hyundai E&C has established and operates an occupational safety and health management system centered on the Chief Safety Officer (CSO). The dedicated organizations, the Safety Planning Group and Safety Execution Support Group, manage key risk factors, such as industrial accidents and regulatory changes, along with opportunity factors, including smart safety management and support for suppliers. The results of this risk and opportunity management are regularly reported to the Board of Directors and the Sustainability Management Committee and are used to strengthen the company’s overall Occupational Safety and Health capabilities. Additionally, each business division has a dedicated occupational safety and health department to oversee safety operations and fulfill occupational safety and health compliance obligations. To ensure effective safety management on-site, Hyundai E&C has deployed 646 Occupational Safety and Health professionals as of 2025, 90 more than the legally required number. Through an internal occupational safety and health control framework that checks the establishment and implementation status of this management system, Hyundai E&C is focusing on achieving its occupational safety and health goal of “Zero Serious Accidents.”

▲ Occupational Safety and Health Internal Control Framework

① Risk Identification and Assessment	② Design and Operation of Control Activities	③ Establishment of Organizational and Responsibility Framework	④ Monitoring and Improvement
Regularly identify major risk factors (serious accidents, industrial accidents, workplace hazards, etc.) by workplace and job type, and conduct quantitative and qualitative assessments based on likelihood and impact	Establish and operate control activities such as safety inspection processes and supplier management standards	Clarify roles and responsibilities (R&R) from the CSO down to corporate departments, business divisions, and construction site units	Verify the effectiveness of control activities and implement improvements through regular inspections, internal audits, and incident analysis

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Strategy

Occupational Safety and Health-related Risks and Opportunities

Impact of Risks and Opportunities

Hyundai E&C identifies safety and health risks and opportunities that could affect the company's financial position and outlook, mapping them across its business model and Value Chain. Specific occupational safety and health risk factors identified and managed as potential threats to business operations include stricter safety and health laws and regulations, such as the Act on the Punishment of Serious Accidents, the occurrence of serious accidents and safety incidents, and inadequate safety management of supplier employees within the Value Chain. For opportunities, Hyundai E&C has identified key factors such as strengthening safety and health capabilities through the adoption of smart safety technologies, securing stakeholder trust through safety management, and enhancing the ability to prevent serious accidents through the implementation of safety and health systems. Based on these risk and opportunity factors, Hyundai E&C plans to establish a company-wide response plan to strengthen the effectiveness of its safety and health management system.

Type	Category	Risk and Opportunity Factors	Time Horizon ¹⁾			Scope of Occurrence ²⁾	Current and Expected Impacts on the Business Model and Value Chain	
			Short Term	Medium Term	Long Term		Current Impact	Expected Impact
Risks	Policy and Legal	Stricter occupational safety and health laws and regulations, including the Act on the Punishment of Serious Accidents	●	●		Value Chain	- Investment costs arising from the strengthening of occupational safety and health systems to comply with laws and regulations - Increased expenditures resulting from the strengthening of the occupational safety and health management system to ensure regulatory compliance	Projected increase in expenditures to strengthen the Occupational Safety and Health management system for regulatory compliance
	Physical	Occurrence of serious accidents and safety incidents	●	●		Value Chain	- Direct costs incurred from paying administrative fines and penalties resulting from violations of laws such as the Occupational Safety and Health Act - Increase in workers' compensation insurance rates and costs associated with compensating injured workers due to industrial accidents	- Losses resulting from project delays or suspensions due to business suspension orders - Restrictions on participation in future major development projects and reduced competitiveness in securing contracts due to damage to the company's image
	Market	Inadequate safety management of supplier employees		●	●	Value Chain	Costs incurred for safety and health activities targeting supplier employees	Increased operational burden, including legal penalties and compensation costs, in the event of industrial accidents involving suppliers
Opportunities	Technology	Strengthening safety and health capabilities through the development of smart safety technologies		●	●	Value Chain	Securing opportunities for revenue growth by enhancing bidding competitiveness based on smart safety management capabilities	Minimizing accidents and improving site management efficiency through the development and application of smart safety technologies
	Reputation	Securing stakeholder trust through safety management		●	●	Value Chain	Expanding business opportunities and increasing revenue by securing the trust of stakeholders, including customers, suppliers, and investors	Reduced capital financing costs and lower costs associated with external communications and legal disputes through enhanced safety management capabilities
	Institutional	Strengthening serious accident prevention capabilities through the implementation occupational safety and health systems	●	●	●	Value Chain	Preventing project delays through proactive safety management, ensuring timely construction, and generating stable profits based on improved efficiency	Achieving target profits by enhancing project efficiency and minimizing losses through strengthened disaster prevention capabilities

1) Short-term: FY+1, Medium-term: Within FY+2 to FY+5, Long-term: Beyond FY+5
2) Business Model and Value Chain

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Strategy

Financial Position, Financial Performance, and Cash Flows Related to Occupational Safety and Health Risks and Opportunities

[Policy and Legal Risk] Stricter occupational safety and health laws and regulations, including the Act on the Punishment of Serious Accidents

Time Horizon	Short-term / Long-term	Likelihood	High
Impact Severity	High	Scope	Domestic / Value Chain
Financial Impact During the Reporting Period	Violations of safety and health regulations, such as the Act on the Punishment of Serious Accidents, may result in direct financial losses, including administrative fines and criminal penalties, construction suspensions, and increased damages compensation costs. To prevent such losses, Hyundai E&C continues to invest in strengthening its safety and health management system to comply with relevant laws and regulations. This affects cost of sales and selling, general, and administrative expenses in the income statement. During the reporting period, the financial impact identified for compliance with relevant laws and regulations, including the Occupational Safety and Health Act, totaled KRW 209.4 billion.		
Implications	Due to the nature of the construction industry, where high-risk work is frequently performed, the accident rate is relatively higher than in other sectors. Consequently, governments worldwide are tightening relevant regulations and strengthening corporate responsibility for safety and health management to ensure safety at construction sites. To proactively respond to these changes in the regulatory environment, Hyundai E&C regularly monitors domestic and international safety and health regulations. The company incorporates the monitoring results into its management system and operates a safety management system that exceeds legal standards. Through these efforts, Hyundai E&C minimizes regulatory risks and continuously improves safety levels at construction sites.		
Response and Plans	As safety and health regulations tighten, the costs associated with establishing safety management systems are increasing. However, Hyundai E&C views these costs as an investment in preventing accidents and reducing risks, and will continue investing in strengthening its safety and health management system.		
Goal Achievement Plan and Progress	For details on the objectives and progress regarding the establishment of a safety management system, please refer to ‘Occupational Safety and Health Investment Performance and Targets (p.43)’ of this report.		

[Physical Risk] Occurrence of serious accidents and safety incidents

Time Horizon	Short-term / Medium-term	Likelihood	High
Impact Severity	High	Scope	Global / Value Chain
Financial Impact During the Reporting Period	Fines imposed for violations of the Occupational Safety and Health Act affected “Other Expenses” in the income statement, with a financial impact of KRW 77 million identified during the reporting period. Additionally, while delay compensation resulting from work stoppage orders due to three serious accidents during the reporting period was estimated to reach up to approximately 0.69% ¹⁾ of the project contract value, the Company effectively prevented overall project delays by promptly establishing measures to prevent recurrence and strengthening process management. Accordingly, the impact of serious accidents and safety incidents on the project schedule and overall profitability is judged to be limited.		
Implications	In the construction industry, accident prevention through a systematic safety management system and thorough measures to prevent recurrence after an accident are essential. In particular, when a major accident occurs, project delays and suspensions may increase costs and reduce profitability, and additional costs may arise from increased workers’ compensation insurance rates and workers’ compensation procedures resulting from industrial accidents. To prevent such risks, Hyundai E&C operates a safety and health management system supported by periodic risk assessments and mitigation measures for potential hazards at construction sites. In the event of an accident, the company develops comprehensive improvement plans to prevent similar or identical incidents from recurring and applies them across all sites. Through these efforts, Hyundai E&C prioritizes the lives and safety of workers as a top management priority and continues to build a solid foundation for accident prevention.		
Response and Plans	Hyundai E&C conducts periodic risk assessments to prevent serious accidents and safety incidents and implements improvement and mitigation measures based on these assessments. In addition, the company provides regular occupational safety and health training to members of its own workforce and suppliers to minimize safety risks on-site. In the event of a major accident, the company establishes recurrence prevention measures tailored to each specific incident to prevent similar or identical accidents from occurring. Through these systematic accident prevention activities and the continuous enhancement of occupational safety and health management standards, Hyundai E&C is reducing the likelihood of accidents on-site and expects the resulting impact on business operations to gradually decrease.		
Goal Achievement Plan and Progress	For information on the goals and progress regarding the prevention of serious accidents and safety incidents, please refer to ‘Occupational Safety and Health Performance Targets’ of this report.		

1) Daily delay compensation for the average number of days of operational suspension at three domestic sites due to safety incidents (serious accidents) during the reporting period

Occupational Safety and Health

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Strategy

Financial Position, Financial Performance, and Cash Flows Related to Occupational Safety and Health Risks and Opportunities

[Market Risk] Inadequate safety management of supplier employees

Time Horizon	Medium-term / Long-term	Likelihood	High
Impact Severity	High	Scope	Global / Value Chain
Financial Impact During the Reporting Period	Hyundai E&C defines the potential financial impact arising from increased risks in managing the safety of supplier employees as costs associated with occupational safety and health activities for supplier employees, which are reflected in cost of sales on the income statement. During the reporting period, a total financial impact of KRW 49.9 billion was identified.		
Implications	Given that the construction industry is characterized by a workforce where the majority of on-site personnel are employed by suppliers, effective safety management of supplier employees is essential for the practical prevention of serious accidents. With this in mind, Hyundai E&C communicates regularly with supplier management to develop effective safety enhancement measures. In particular, the company continuously operates customized safety training and campaigns for supplier employees on-site to create a safe working environment without blind spots and establish a culture of self-regulated safety in collaboration with suppliers.		
Response and Plans	To strengthen safety management for supplier employees, Hyundai E&C incorporates the level of operation of suppliers' Occupational Safety and Health management systems into the evaluation process for supplier registration and renewal. Additionally, the company has established a systematic safety management process linked to risk assessments through a pre-approval system for risk assessments prior to project commencement and the review and presentation of construction safety and health management plans. In addition, the company operates a health management support system for vulnerable workers, such as elderly and very elderly workers, and provides various support measures to ensure the safety of supplier employees, including strengthening customized safety training and management activities for foreign workers. For details on Hyundai E&C's occupational safety and health support for suppliers, please refer to 'Measures for Managing Occupational Safety and Health Risks at Suppliers(p.42)' of this report.		
Goal Achievement Plan and Progress	For details on the goals and progress regarding the strengthening of safety management for supplier employees, please refer to 'Supplier Lost-Time Injury Frequency Rate (LTIFR)(p.43)' of this report.		

[Technology Opportunity] Strengthening safety and health capabilities through the development of smart safety technologies

Time Horizon	Medium-term / Long-term	Likelihood	High
Impact Severity	Moderate	Scope	Global / Value Chain
Financial Impact During the Reporting Period	Hyundai E&C is actively introducing and enhancing smart safety technologies in response to changes in the industrial environment. Through this, the company is detecting potential hazards on-site in advance and maximizing accident prevention. During the reporting period, Hyundai E&C spent KRW 13.6 billion ¹⁾ on safety and health CCTV, smart technologies, and related technologies, which affects tangible assets on the balance sheet and selling, general, and administrative expenses on the income statement. By leveraging the smart safety technologies developed through these investments, Hyundai E&C is actively utilizing its data-driven safety management capabilities to strengthen its competitiveness in securing new orders. The resulting increase in mid- to long-term competitiveness and business opportunities is expected to have an impact on revenue on the income statement.		
Implications	The construction industry is characterized by complex, site-centric processes and the involvement of various stakeholders, making it highly exposed to potential safety accidents. Recently, there has been an accelerating shift toward intelligent safety management, which utilizes smart safety technologies to minimize human error and manage on-site risks in real time. In line with these changes, Hyundai E&C is strengthening the safety capabilities of its on-site workers through the adoption of smart safety technologies.		
Response and Plans	Hyundai E&C is developing and implementing smart safety technologies focused on three key areas: integrated control, equipment entrapment prevention, and personal protection. In particular, the company is strengthening its safety management system, with a focus on high-risk areas, through various advanced technologies, such as AI-based video recognition systems for entrapment prevention and the use of drones. The company plans to gradually expand the adoption of safety management technologies tailored to specific site conditions to advance its prevention-oriented safety management capabilities. For detailed information on smart safety technologies, please refer 'Smart Safety Technologies (p.39)' of this report.		
Goal Achievement Plan and Progress	For details on smart safety technology goals and progress, please refer to 'Occupational Safety and Health Investment Performance and Targets(p.43)' of this report.		

1) The KRW 13.6 billion in question is included in "Investments to Strengthen the Safety and Health System," which represents the financial impact of the policy and legal risk "Stricter occupational safety and health and regulations, including the Act on the Punishment of Serious Accidents".

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Strategy

Financial Position, Financial Performance, and Cash Flows Related to Occupational Safety and Health Risks and Opportunities

[Reputation Opportunity] Securing stakeholder trust through safety management

Time Horizon	Medium-term / Long-term	Likelihood	High
Impact Severity	Moderate	Scope	Global / Value Chain
Financial Impact During the Reporting Period	Hyundai E&C is enhancing stakeholder trust through proactive investment in safety management and employee safety training. This is expected to improve competitiveness in securing projects over the medium to long term, which will positively affect revenue on the income statement. In particular, establishing a solid reputation based on rigorous safety management is predicted to reduce financing costs and lower management expenses related to external communications and legal disputes. Furthermore, indicators related to serious accidents and safety management levels are directly reflected in construction companies' "construction capability evaluations," affecting bidding restrictions and contractor selection. Securing stakeholder trust through safety management can also contribute to increased revenue.		
Implications	The construction industry involves a wide range of stakeholders, including clients, suppliers, nearby residents, and government agencies, and the required safety management standards vary depending on the nature of each project. In particular, given the industry's site-centric nature, where multiple trades operate simultaneously, smooth communication and coordinated collaboration among stakeholders are key elements in preventing safety accidents. Taking these industry characteristics into account, Hyundai E&C is strengthening trust through continuous communication with key stakeholders, including customers, suppliers, and investors. The company also operates a safety management system that reflects the specific characteristics and needs of each stakeholder.		
Response and Plans	Hyundai E&C operates "H-Dudrim," a communication channel for stakeholders inside and outside the company, to gather feedback on occupational safety and health. Additionally, the company operates "Safety e-Report," a dedicated channel for addressing safety-related grievances, to collect safety concerns from the own workforce and suppliers. Furthermore, through regular meetings and workshops with suppliers, the company gathers feedback on the challenges and current conditions faced by on-site supplier employees and incorporates this information into improvements to its Occupational Safety and Health management system. For detailed information on communication with safety-related stakeholders, please refer to 'Channels for Handling Safety and Health Concerns (p.41)' of this report. Through proactive safety management, Hyundai E&C will maintain a competitive edge in construction capability evaluations and strengthen external trust, thereby expanding and strengthening future bidding opportunities.		
Goal Achievement Plan and Progress	Hyundai E&C demonstrated its excellent construction capabilities to the public by ranking second in the construction company construction capability evaluation announced during the reporting period. The company plans to continue company-wide efforts, including safety management, to maintain its competitive edge in construction capabilities. Meanwhile, please refer to 'Safety e-Report Response Rate(p.43)' of this report for details on the goals and progress regarding securing stakeholder trust through safety management.		

[Institutional Opportunity] Strengthening serious accident prevention capabilities through the implementation of occupational safety and health systems

Time Horizon	Short-term / Medium-term / Long-term	Likelihood	High
Impact Severity	High	Scope	Global / Value Chain
Financial Impact During the Reporting Period	Hyundai E&C operates a Safety Culture Experience Center to strengthen its occupational safety and health systems and embed a safety culture. During the reporting period, the company conducted 207 safety culture training sessions for a total of 5,241 participants. In particular, the company generated additional revenue by renting out the center and providing training to external organizations, including labor inspectors from the Ministry of Employment and Labor. This revenue was reflected in "Other Income" on the income statement. The implementation of these occupational safety and health systems, along with the use of this infrastructure to strengthen serious accident prevention capabilities, is expected to reduce accidents and improve the company-wide cost structure. In particular, overall profitability is expected to improve as project execution efficiency increases through reduced losses from industrial accidents, fewer process delays, and less rework. Furthermore, a decrease in the industrial accident rate leads to various financial improvements, such as reduced workers' compensation insurance premiums and lower compensation payments. Consequently, stable fixed revenue from timely construction contributes to revenue on the income statement, while infrastructure efficiency, including revenue from external facility rentals, and reduced losses are expected to have a positive impact on the increase in other income and the reduction in cost of sales, respectively.		
Implications	The construction industry is a site-centric sector involving numerous high-risk work types; serious accidents can be prevented through the establishment of systematic safety systems and strict implementation of related systems. Hyundai E&C has established an occupational safety and health management system that meets global standards and is strengthening its capacity to respond to serious accidents through site-centered preventive activities. Through company-wide safety training and practice campaigns, the company is enhancing the safety awareness of its own workforce and suppliers while fostering a culture of autonomous safety. Based on these efforts, Hyundai E&C is continuously advancing its safety management standards to build a culture of proactive accident prevention.		
Response and Plans	Hyundai E&C is continuously strengthening its capabilities to prevent serious accidents based on the systematic implementation of its Occupational Safety and Health systems. The company is reinforcing the foundation for accident prevention by operating a company-wide occupational safety and health training system and raising safety awareness among its own workforce and supplier employees through the Safety Culture Experience Center. The company is also continuing to create a safe working environment by strictly managing compliance with basic safety rules, such as maintaining tidiness and order on-site, and by promoting a culture of voluntary safety practices through seasonal safety campaigns. By continuously maintaining and renewing international occupational safety and health certifications, Hyundai E&C is building a safety management system that meets global standards, thereby continuously elevating company-wide occupational safety and health management levels.		
Goal Achievement Plan and Progress	For details on the goals and progress toward improving the serious accident prevention rate, please refer to 'Occupational Safety and Health Performance Targets(p.43)' of this report.		

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Strategy

Financial Position, Financial Performance, and Cash Flows Related to Occupational Safety and Health Risks and Opportunities

Risks and Opportunities That Could Result in Significant Adjustments in the Next Fiscal Year

Hyundai E&C has identified “occurrence of serious accidents and safety incidents” as an occupational safety and health risk that could lead to significant adjustments in the next fiscal year.

▲ Occupational Safety and Health Risks That Could Result in Significant Adjustments in the Next Fiscal Year

Physical Risk	Occurrence of Serious Accidents and Safety Incidents
Financial Impact	In the event of a serious accident or safety incident, financial losses may occur due to increased costs resulting from work stoppages, process delays, and rework, along with penalties such as damages and fines. This is expected to affect revenue, cost of sales, and other expenses in the income statement.
Response and Plans	Hyundai E&C recognizes occupational safety and health as a key management risk and is continuously enhancing its related management systems. To prevent serious accidents and safety incidents, the company is reducing the likelihood of accidents and ensuring process stability by strengthening its Occupational Safety and Health management system and adopting a prevention-focused approach.

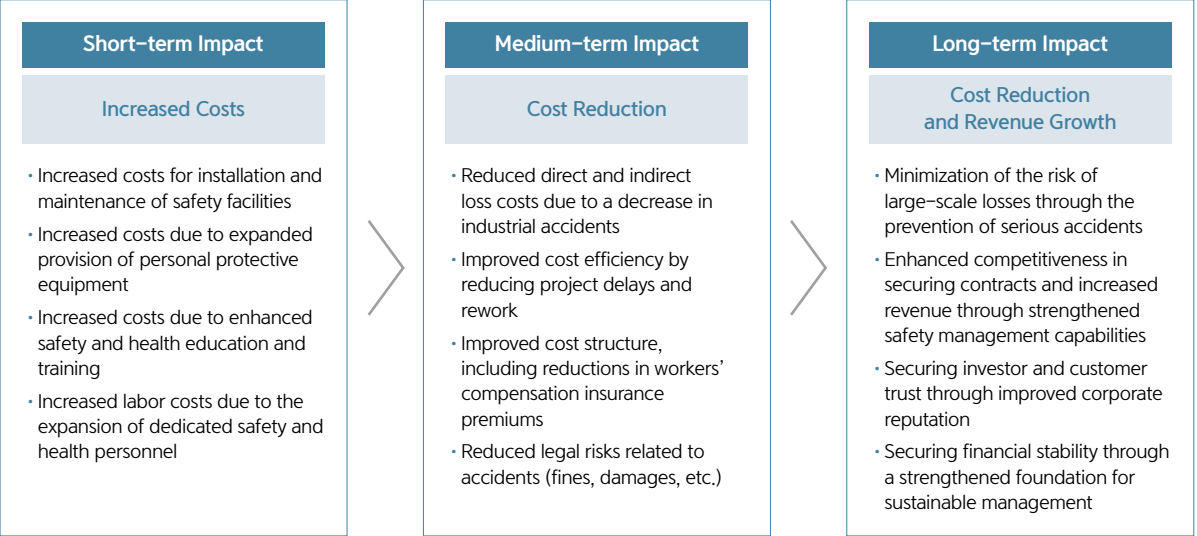
Planned Sources of Funding, Investment, and Disposal Plans for Strategy Implementation

Hyundai E&C is expanding its investments to address occupational safety and health risks and capitalize on opportunities. The company is expanding its Occupational Safety and Health personnel and concentrating investments in safety management to prevent accidents. In particular, it continues to invest in the adoption of smart safety technologies and the installation of on-site CCTV systems, while enhancing overall on-site safety management capabilities by expanding investments in safety facilities and related education and training.

Financial Impact of Strategy Implementation by Time Horizon

Hyundai E&C is strengthening its prevention-oriented management system to address occupational safety and health risks and opportunities. Although expanded safety and health investments and improvements to operational systems may increase costs in the short term, they are expected to improve profitability over the medium to long term by preventing accidents and ensuring stable business operations.

▲ Financial Impact of Implementing Occupational Safety and Health Strategies



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Risk Management

Systems and Policies for Occupational Safety and Health Risk Management

Health, Safety, and Environment Policy and Objectives

Hyundai E&C established health, safety, and environmental goals and policies in January 2026. To achieve the objective of “Zero Fatalities and Environmental Accidents” the company established four detailed action plans: (1) strengthening action-oriented system, (2) strengthening collaborative framework with stakeholders, (3) diversifying the site support system, and (4) enhancing proactive management and inspections processes. Hyundai E&C manages occupational safety and health risks at its worksites by prioritizing compliance with laws and standards, along with accident prevention. Through these efforts, Hyundai E&C strives to establish “Clean Safety” across all stages of the construction lifecycle, including design, construction, and operation.



Health, Safety, and Environment Policy

Health, Safety, and Environment Objectives

12 Major Golden Rules

Hyundai E&C has established and operates the 12 Safety Golden Rules to embed a prevention-oriented safety and health culture.

Pre-Risk Management	Ensuring Safe Working Conditions	Interrupting Unsafe Act	Establishing Basic Discipline
Comply With the “Permit To Work”	Install Safety Facilities Wear PPE	Use Designated Access Only	No Alcohol
	Conduct Gas Test in Confined Space	Do Not Stand under Suspended Load	No Smoking outside Designated
	Conducting Electrical Safety Inspections Prior to Work	Maintain Safety Devices On Equipment	No Over-Speeding at Site/No Mobile Phone while Working
	Prevent Fire During Hot Work	Do Not Enter Installation/ Dismantling Work Area	

Safety and Health Management Policy

Hyundai E&C applies its Safety & Health Management Policy, established based on domestic and international legal requirements and safety and health management standards, to all company-wide production activities and worksites. This policy recommends compliance by employees and relevant stakeholders, including suppliers and contractual partners. In line with the ISO 45001 (Occupational Safety and Health Management System) and KOSHA-MS certification frameworks, Hyundai E&C encourages employees to comply with safety and health regulations. To advance its occupational safety and health Management System, Hyundai E&C establishes quantitative targets for each business division under the supervision of the CSO and carries out related activities such as regular inspections and training. In particular, the company aims to achieve its goal of "Zero Fatalities and Environmental Accidents " by identifying potential risks through regular risk assessments and establishing and implementing priority-based action plans.



▲ Safety and Health Management Principles

- 1

We will prioritize safety and health in all decision-making processes.
- 2

We will strictly comply with safety and health laws and regulations at domestic and international workplace
- 3

Risks and hazards which are identified during project execution will be minimized through risk assessment.
- 4

All employees will actively participate in safety and health training to continuously enhance accident prevention capabilities.
- 5

We will support the enhancement of safety and health capabilities for partner companies by providing resources and personnel, and expand collaboration with partner companies which own proper safety and health management systems.
- 6

We will strengthen the scientific accident prevention system through technological innovation by proactive adoption of safety and health technologies.
- 7

Unsafe behaviors of anyone on our workplace will be strictly prohibited and unsafe environments will be eliminated.
- 8

In the event of accidents/incidents, we will identify the root causes and establish proper measures to prevent similar incidents
- 9

We will continuously strengthen relevant systems and mechanisms to foster a safety culture including participation and communication of all personnel in workplace.

Occupational Safety and Health Management System Certification

Following the acquisition of ISO 45001 certification from LRQA, a global certification body, in 2019, Hyundai E&C obtained KOSHA-MS certification, Korea's domestic Occupational Safety and Health Management System, in 2021. Since then, the company has continuously renewed these certifications to maintain an international-level safety management system. This system is operated across the headquarters and all domestic and international construction sites, minimizing safety and health risks through the proactive identification of hazards and risk assessments. Additionally, the company manages 101 management standards, including the operation of regional safety and health councils, and 82 technical standards, such as traffic flow safety guidelines, as part of its efforts to establish an effective Occupational Safety and Health management system.

▲ ISO 45001(Occupational Safety and Health Management System), KOSHA-MS(Occupational Safety and Health Management System)

Certified Standard	ISO 45001	KOSHA-MS
Certification Body	LRQA	Occupational Safety and Health Agency
Scope of Certification	All business operations and support departments	All business operations and support departments
Validity Period	December 31, 2027	November 21, 2027



ISO 45001



KOSHA-MS

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Risk Management

Monitoring for Occupational Safety and Health Risk Management

Risk Assessment System

Hyundai E&C operates a risk assessment system in collaboration with its suppliers across all processes on a monthly, weekly, and daily basis to identify and mitigate safety hazards. The company has built a risk database through a dedicated Occupational Safety and Health IT system and unified its risk management system by incorporating occupational safety and health standards into procurement and contract requirements with suppliers. In particular, to support the systematization of risk assessments by suppliers, Hyundai E&C revamped the Site Management System (HPMS) to enable suppliers to prepare initial risk assessments directly. The company has also established a system where safety activities by supervisors and workers are reflected and approved in real time. Through this system, Hyundai E&C has strengthened its on-site safety system by jointly identifying on-site hazards and communicating them to workers in real time via the Permit To Work (PTW) system and Toolbox Meetings (TBM). In addition, the company works with supplier employees to diagnose hazards and establish response plans considering the risk level and scope of impact. For high-risk tasks, safety measures are established as a top priority, and key management items are tracked continuously by recording the status of improvements. Hyundai E&C also responds in real time through the right to stop work and non-conformance reports, and the final decision to resume work is made only after all corrective actions are completed. Furthermore, the company analyzes accident data to establish a recurrence prevention system based on risk assessments and operates a proactive safety management system by strengthening on-site inspections of common company-wide risk factors. In 2025, Hyundai E&C conducted initial and monthly risk assessments, including risk assessments for all production processes. Although some shortcomings were identified during the assessment process, such as delays in conducting risk assessments or omissions of major risk factors, the company completed 100% of the corrective actions to resolve the associated risks.

▲ Results of the 2025 Risk Assessment Inspection¹⁾

(Unit: Pass (cases), Fail (cases), N/A (cases), Action Rate (%))

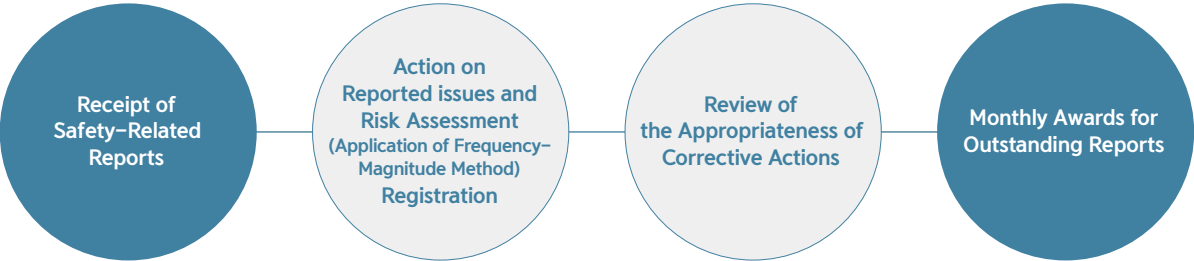
Category		Pass	Fail	N/A	Action Rate
Risk Assessment for All Processes	Status of Review and Approval for Establishment or Amendment	138	32	0	100
	Reflection of Company Accident Cases	111	59	0	100
	Content Appropriateness	121	49	0	100
	Risk Reassessment Following an Incident	106	15	49	100
Initial Risk Assessment	Pre-construction Approval	99	60	14	100
	Inclusion in the Construction Safety and Health Management Plan	134	25	11	100
Monthly Risk Assessment	Monthly Risk Assessment Meetings Held	59	111	0	100
	Status of Risk Assessment Submission and Revision	72	98	0	100
	Risk Assessment Posting Status ²⁾	80	7	0	100
	Supervisor Review and Approval	106	64	0	100
	Review and Approval by Safety and Health Manager	161	9	0	100
	Omitted Process Identification	96	74	0	100
	Risk Reassessment Following an Incident	106	14	50	100
	Reflection of Company Accident Cases	115	55	0	100
	Inclusion of unscheduled Safety e-Report evaluation results	137	28	5	100

1) Targeted 87 domestic sites in the first half of the year and 83 sites in the second half
2) Conducted exclusively for the first-half evaluation

Identification and Assessment of Occupational Safety and Health Risks

Hyundai E&C identifies key safety hazards using the “Safety e-Report” platform, which allows on-site workers to submit safety reports and suggestions, and applies the Frequency-Magnitude Method to systematically evaluate these hazards. The frequency (likelihood) of an accident is assessed on a three-tier scale, High (Frequent), Medium (Likely), and Low (Unlikely), based on the likelihood of occurrence and resilience. The magnitude (severity) of an accident is classified as High, Medium, or Low based on the location of injury and the nature of the harm. The final risk level is determined through a comprehensive assessment of frequency and magnitude. High-risk hazards are designated as management priorities, with immediate response measures implemented, including work stoppages and active risk reduction activities. The appropriateness of these measures is also reviewed to mitigate occupational safety and health risks. Additionally, to encourage workers to proactively identify risk factors, Hyundai E&C provides monthly awards to outstanding reporters of safety concerns.

▲ Occupational Safety and Health Hazard Identification and Assessment Process



Monitoring of On-site System Implementation

Hyundai E&C is strengthening on-site monitoring to embed a self-regulated safety and health culture and expand it company-wide. In particular, to enhance the practical implementation and management level of on-site safety and health systems, the company conducts “Implementation Adequacy Assessments” and has introduced a penalty point system to prevent superficial inspections. Furthermore, by continuously monitoring assessment results and taking corrective actions, the company ensures the effectiveness of on-site safety management.

▲ Evaluation Items for On-site System Implementation Adequacy

Category	Evaluation Items
Body Cam	On-site implementation audit and headquarters monitoring
Daily Integrated Inspection	Headquarters monitoring
Elderly and Very Elderly Workers	Reinforced compliance with deployment standards
Safety Rule Violation System	Safety rule violation notice issuance rate
Safety e-Report	Worker participation rate in safety activities
Right to Stop Work	Work stoppage order issuance rate
NCR Action Compliance Rate	Non-conformities within the period

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Risk Management

Measures for Occupational Safety and Health Risk Management

Safety Inspections

Hyundai E&C conducts regular and unscheduled safety inspections to identify and manage potential hazards at project sites. As of 2025, the company identified hazards and implemented corrective measures through 3,422 safety inspections. In particular, the company conducted 244 “Occupational Safety and Health Assessments,” which comprehensively evaluate pre-planning, on-site management status, and task execution. Based on the results, top-performing sites were rewarded while lower-performing sites were penalized, thereby strengthening management accountability. Additionally, through the “365 Safety Patrol,” an unannounced inspection program, the company conducted 850 inspections to verify compliance with safety regulations and address identified issues. To help prevent equipment accidents, the Head Office Construction Equipment Safety team (9 members) collaborated with site-specific equipment specialists to conduct 614 intensive equipment inspections. The company also provided related training to strengthen on-site equipment management capabilities.

▲ 2025 Safety Inspection Results

(Unit: times)

Category	Number of Inspections
Special Safety Inspections by Executives and Employees	616
Non-resident(Off-site) Safety Inspections	201
On-site Safety Inspections	302
Smart Safety Support Inspections	39
Initial Occupational Safety and Health System Support Inspections	18
In-Depth Health Assessment Inspections	54
Basic Occupational Safety and Health Inspections	484 (First half: 243 times, Second half: 241 times)
365 Safety Patrol Inspections	850
Equipment Safety Inspections	614
Occupational Safety and Health Inspections	244 (First half: 124 times, Second half: 120 times)
Total	3,422

Measures to Prevent Serious Accidents

Hyundai E&C recorded three serious accidents in 2025. To prevent the recurrence of such accidents, the company has established comprehensive improvement plans for each incident based on the 3E (Engineering/Enforcement/Education) approach, thereby minimizing the recurrence of identical or similar accidents.

▲ Status of Serious Accidents in 2025

Date of Occurrence	Location (Site Name)	Details of the Serious Accident			Improvement Plan for Serious Accident
		Details of the Accident	Number of Fatalities	Number of Injured	
March 14, 2025	Jegi District 4 Housing Redevelopment	While discussions were underway next to a brick building scheduled for demolition, the worker was buried after the building suddenly collapsed.	1	1	Comprehensive Improvement Plan to Prevent Collapse and Burial During Demolition of Aging Buildings
March 15, 2025	Hillstate The Unjeong	While a worker was welding exterior cladding from an aerial work platform, falling concrete debris is presumed to have struck the worker.	1	–	Comprehensive Improvement Plan to Prevent Falling-Object Accidents During Simultaneous Work at Different Levels
June 27, 2025	Daejo District 1 Housing Redevelopment	When a worker moved underneath the shoring for inspection, an excavator operator dumped soil without an authorization/start signal.	1	–	Comprehensive Improvement Plan to Prevent Falling-Object Accidents During Backfilling Operations

▲ Comprehensive Improvement Plans by Serious Accident

Comprehensive Improvement Plan	Engineering Measures	Enforcement Measures	Educational Measures
Comprehensive Improvement Plan to Prevent Collapse and Burial During Demolition of Aging Buildings	Complete access restriction and alarm measures for aging buildings at risk of collapse	- Strengthening control measures for buildings subject to access restrictions - Strengthening standards for the deployment of supervision and monitoring personnel at demolition sites	- Strengthening demolition-site safety management capabilities for headquarters and inspection support staff, along with on-site operations and safety personnel - Addition of risk assessment categories for demolition work on aging buildings and dissemination to all workers
Comprehensive Improvement Plan to Prevent Falling-Object Accidents During Simultaneous Work at Different Levels	- Establishment of standards for core drilling of reinforced concrete structures - Introduction of safety helmets with enhanced shock absorption	- Minimization of core drilling operations (pre-operation drawing review and verification of sleeve installation) - Company-wide expansion of unapproved work management to prevent accidents caused by unapproved work - During Daily Activity Briefings(DABs) using visual aids to check and share potential work interference risks	Addition of work categories for simultaneous upper and lower-level work to risk assessments, and notification to all workers of areas at risk of falling objects
Comprehensive Improvement Plan to Prevent Falling-Object Accidents During Backfilling Operations	- Real-time monitoring via CCTV installed above and below backfilling sections - Strengthening the emergency alarm system for emergency situations	- Clarification of standards for personnel deployment and access control zone designation during backfilling operations - Strengthening measures to identify soil dumping zones (upper) and access control zones (lower)	Incorporation of backfilling safety measures into risk assessments, mandatory designation and management of high-risk tasks, and dissemination to all workers

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Risk Management

Measures for Occupational Safety and Health Risk Management

Causes of Accidents and Measures to Prevent Recurrence by Major Accident Type

To manage safety risks, Hyundai E&C classifies accidents by work type and category, analyzes their causes from engineering, enforcement, and educational perspectives, and establishes recurrence prevention measures. The analysis results are systematically managed through internal IT systems. After an accident occurs, Hyundai E&C reassesses risks and shares accident case studies company-wide. This allows preventive measures to be shared across the organization and improves employee safety awareness. Key countermeasures by hazard factor include weekly housekeeping campaigns to prevent equipment overturning, campaigns to prevent smartphone-related accidents, and pre-work inspections of safety facilities. To prevent entrapment, the company has introduced a construction equipment collision alert system and drone inspections. The company has also strengthened the signaling system for signalers and pre-use equipment inspections. To prevent falling objects and flying debris, Hyundai E&C conducts dedicated Permit To Work (PTW) patrol inspections and distributes shock-absorbing safety helmets. To prevent falls, the company is strengthening installation standards for suspended scaffolds and guardrails while rolling out smart airbags company-wide. Hyundai E&C is also improving the effectiveness of autonomous safety management at sites by linking common measures, such as the work suspension system during weather alerts and the “Alpha Time OUT” campaign.

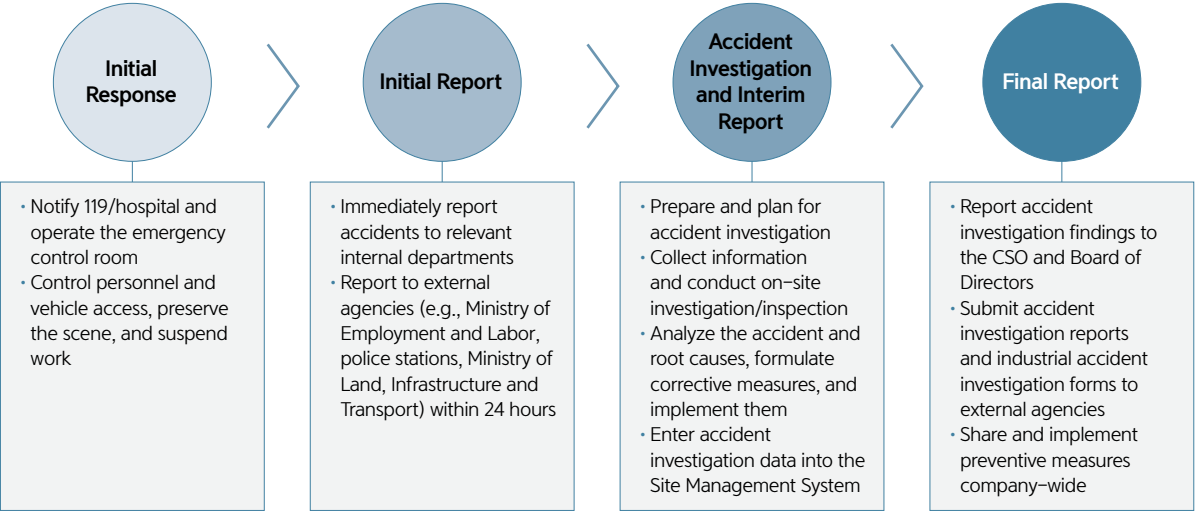
▲ Recurrence Prevention Measures by Major Hazard Factors

Category	Causes of Major Accidents	Recurrence Prevention Measures
Overturning	• Poor implementation of 4S (Sort, Set in Order, Shine, Standardize) on-site • Inadequate safety precautions and safety facilities	• Launch a campaign to prevent “smombie”(smartphone + zombie) accidents on-site • Conduct a weekly workplace housekeeping campaign • Check hazardous areas and inspect safety equipment before work
Pinching	• Lack of a standardized signaling system for equipment operators and dedicated guides • Inadequate access control procedures for heavy equipment work zones	• Establishment of a construction equipment collision and hazard alert system • Enhanced safety inspections of heavy equipment using drones • Verification of the signaling system for operators and dedicated guides • Safety inspections before equipment entry
Falling Objects and Flying Debris	• Non-compliance with work permits and plans, and unauthorized work • Failure to review factors causing mutual interference between work zones during mixed operations	• Conduct dedicated PTW patrol inspections • Introduction of high-impact-absorbing safety helmets for workers engaged in high-risk outdoor work
Fall	• Failure to follow mandatory safety rules (such as wearing a safety harness) during work at heights	• Implementation of a fall prevention campaign • Strengthening work standards for scaffolding • Strengthening standards for installing safety handrails in stairwells
General	-	• Suspension of work and operation of the work approval system when weather alerts are issued • Strengthening prevention and management of workers' cardiovascular diseases • Implementation of the "Alpha Time OUT" campaign • Establishment of the right to safety and strengthening of penalties for violations of safety rules

Emergency and Accident Response Process

Hyundai E&C operates an accident response process to strengthen its emergency response capabilities. The company conducts comprehensive drills four times a year, with detailed scenarios covering potential accidents such as fires, terrorism threats, and hazardous chemical leaks. Following each drill, Hyundai E&C evaluates and analyzes the results and uses them to improve future drills. In the event of a major accident or fire, the company responds according to its accident reporting system, covering initial response, accident investigation, interim reports, final reports, and the implementation of preventive measures.

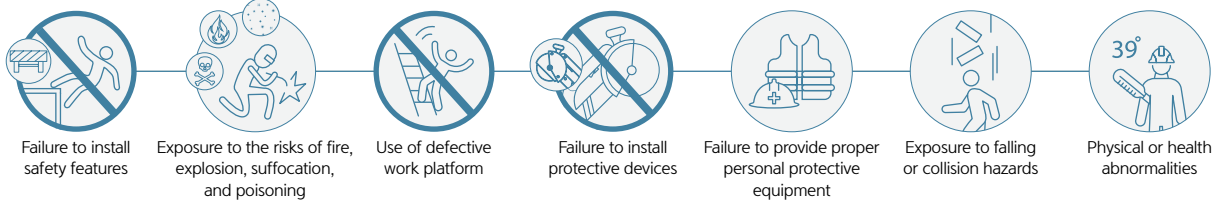
▲ Accident Response Process



Right to Opt Out of Work and Right to Stop Work Systems

Hyundai E&C operates a “right to opt out of work” and a “right to safety” system to ensure worker safety. The right to opt out of work allows employees who are unwell or in a vulnerable condition to request in advance, either verbally to a site manager or through the “H-Safety Wallet” platform, to be exempted from work. When an exemption is approved, 50% of wages for the remaining work hours that day is compensated, and workers who voluntarily submit such requests are protected from any personnel-related disadvantages to safeguard their right to health. Additionally, the company implements the right to stop work, which allows workers to suspend work and evacuate when there is a risk of an industrial accident. Hyundai E&C has defined seven right-to-stop work categories to ensure the effectiveness of the system and to support workers in exercising their rights immediately in dangerous situations.

▲ Seven Types of Right to Stop Work



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Risk Management

Measures for Occupational Safety and Health Risk Management

Safety and Health Training

Hyundai E&C operates a safety and health training system tailored to specific job levels and roles to embed a safety culture within the organization. Beyond mandatory safety training, the company has institutionalized “Executive Safety Leadership Training” for headquarters executives, domestic site managers, and overseas executives to reinforce its commitment to safety as the top priority. Notably, in 2025, Hyundai E&C became the first company in the construction industry to develop and implement “H-ConneCTo Leadership,” a customized safety and health leadership program, thereby improving training effectiveness for each target group. The company has also established a Safety Culture Experience Center within the Technical Training Institute and conducts hands-on training using smart technologies such as AR and VR. Through this training, Hyundai E&C strengthens employees’ practical response capabilities for high-risk situations, including confined space work and first aid. Through its patented smart safety and health training system, the company has adopted AI technology to improve training focus. The system also enhances training effectiveness by linking multilingual training support for foreign workers with training history management.



On-site Safety Training



Safety Culture Experience Center Training

▲ Status of Safety and Health Training Completion for the Own Workforce in 2025¹⁾

(Unit: Duration(hours), Number of Participants(persons))

Category	Training Title	Duration	Training Content	Target Audience	Number of Participants
Mandatory Training	Safety and Health Job Training	7	Job responsibility training to strengthen safety and health policies and self-regulated safety management	Domestic Site Managers	129
		24	Practical skills training focused on safety and health management systems, risk assessment, and accident prevention	Safety Managers	514
		24	Training on industrial health management competencies based on work environment and health management, and risk factor assessment	Health Managers	113
	Periodic Training	24	Training on workplace hazard recognition, safety rule compliance, and occupational accident prevention	Headquarters Own Workforce	23,804
		16	Training on on-site safety management and accident prevention, risk assessment, and response capabilities	Domestic Site Supervisors	1,486
		24	Training on industrial safety, work environment management, and compliance with basic safety rules	Domestic On-site Administrative Staff	7,654
	Training for New Employees	8	Basic safety rules, industrial accident prevention, and pre-work safety training	New Employees ²⁾	1,040
In-house Training	Training for Job Duty Changes	2	Training on risk factors and safety rules for changed work environments	Employees When Work Duties Change	1,373
		1		Headquarters Executives	216
		1		Domestic Site Managers	355
	Executive Safety Leadership Training	1	Strengthening management’s safety and health responsibilities and leadership to prevent serious accidents	Overseas Executives	140
	ISO 45001 Training	24	Understanding ISO 45001 requirements and strengthening competencies in occupational safety and health Management System operation	Headquarters Safety Department Staff	8
	Safety Culture Experience Training	6	Improving safety awareness through hands-on safety experiences, with a focus on identifying risk factors and preventing accidents	Own Workforce	3,344
	Korea Occupational Safety and Health Agency Specialized Training	16	Specialized safety and health training organized by the Korea Occupational Safety and Health Agency (KOSHA) to strengthen employees' professional competencies and improve practical skills	Headquarters Safety Staff	19

1) Includes duplicates
2) Includes newly hired non-regular employees at the site

Smart Safety Technology

Hyundai E&C is strengthening its real-time safety management and accident prevention capabilities by adopting smart safety technologies. Hyundai E&C's smart safety technology system operates across three core areas: integrated control, equipment entrapment prevention, and personal protection. In particular, the industrial smart airbag, introduced to protect workers, activates immediately upon a fall to reduce impact and automatically sends an emergency text message with accident information to support rapid rescue. At some sites, smart bands are also used to monitor workers' body temperature and heart rate in real time, demonstrating the company's commitment to worker safety.

▲ Smart Safety Technologies by Sector

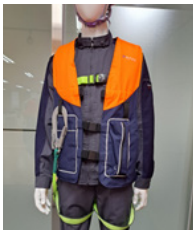
Integrated Control	Equipment Entrapment Prevention	Personal Protection
Safety CCTV Monitoring	AI Camera	Smart Airbag
Lift Integrated Control System	Clamshell Entrapment Prevention Alert Device	Body Cam
Gondola CCTV	Flashing Lights, Call Bells	



Safety CCTV



Clamshell Entrapment Prevention Alert Device



Smart Airbag



Body Cam

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Risk Management

Measures for Occupational Safety and Health Risk Management

Hyundai E&C Safety and Health Contest

Hyundai E&C held the “2025 Safety and Health Contest” to raise company-wide safety awareness and identify safety technologies suited to site needs. The contest was open to all employees and workers at domestic sites, including supplier employees, and consisted of two categories: the “Safety and Health Video” category, which presented on-site activities recorded with body cameras, mobile phones, and dashcams, and the “Technology Proposals and Best Practices” category, which sought ideas with high on-site applicability. In the video category, site-focused entries such as the Grand Prize winner “12 Safety Rules for Our Site,” “Video Guide for Signalers and Guides,” and “Elderly Workers: My Father” were selected as outstanding entries. In the Technology Proposals and Best Practices category, practical technologies and case examples for reducing on-site hazards were proposed, such as the “Stairwell Protruding Scaffold Technology Proposal” and “Body Temperature Stickers for Heatstroke Prevention.” Hyundai E&C plans to continue expanding voluntary, employee-led safety and health content creation and idea proposal activities to raise employee safety awareness and strengthen practical risk response capabilities at sites.



Hyundai E&C Safety and Health Contest Poster

CASE

Occupational Safety and Health Campaign



Relay Campaign to Prevent Falls at Construction Sites

Relay Campaign to Prevent Falls at Construction Sites

In April 2025, Hyundai E&C launched a relay campaign across all domestic sites as part of the “Fall Accident Prevention Measures” led by the Ministry of Land, Infrastructure and Transport. The campaign aimed to strengthen safety management. Senior executives visited sites in person to inspect safety facilities, and the company introduced a “Safety Accountability System” in high-risk zones to reinforce accountability at each site. The company also distributed digital training materials through QR codes at site entrances and shared real-time hazard information through the mobile platform “H-Safety Wallet” to improve safety training effectiveness. Through these efforts, Hyundai E&C raised safety standards at construction sites through digital training and site-based preventive measures.



Summer Heat-Related Illness Prevention Campaign

Summer Heat-Related Illness Prevention Campaign

In May 2025, Hyundai E&C implemented the “3GO! Program (DrinkGO! CoverGO! Cool Down!)” to prevent heat-related illnesses during the summer. Senior executives, including the CSO, visited sites in person to inspect compliance with heatwaves response regulations. The company designated June to September as the “Special Management Period for Extreme Heat” and ensured strict adherence to the three major work management guidelines: water supply, shade provision, rest breaks across all sites. The company also integrated the Korea Meteorological Administration’s API into the mobile platform H-Safety Wallet to provide real-time weather alerts and work guidelines. The campaign also raised workers’ awareness of heat-related illnesses and promoted a safety and health culture through dedicated audio broadcasts and experiential campaigns.



Winter Site Safety Inspection Relay Campaign

Winter Site Safety Inspection Relay Campaign

In December 2025, Hyundai E&C launched the “Winter Safety Inspection Relay Campaign” to prevent winter accidents and strengthen on-site safety management. Senior management visited sites in person to inspect areas vulnerable to icing and fire hazards. They also encouraged winter-specific protective measures, including the “3GO Program” to prevent cold-related illnesses among workers and the enforcement of internal rest standards. In particular, to enhance the safety management capabilities of suppliers, the company established a mutually beneficial safety system by assigning more safety managers to projects valued at less than KRW 10 billion, including projects not subject to legal requirements, and providing labor cost support

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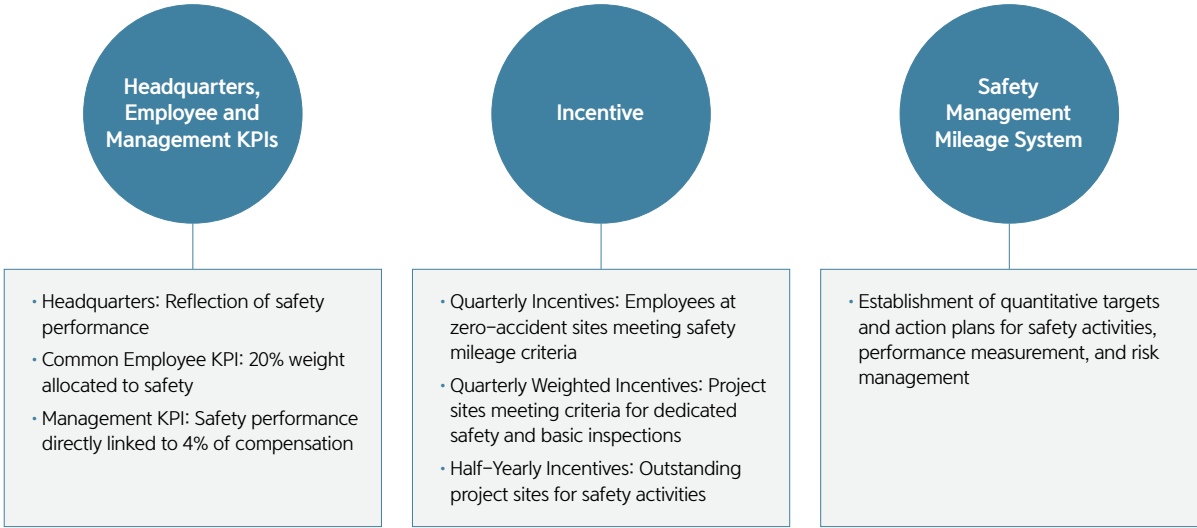
Risk Management

Measures for Occupational Safety and Health Risk Management

Compensation Linked to Safety and Health

To enhance the effectiveness of safety management, Hyundai E&C operates its personnel evaluation framework and compensation system in linkage with safety performance. Specifically, safety performance is reflected in management KPIs at a weight of 4%, and the safety sector is allocated up to 20% of the common employee KPIs. For management, practical safety management capabilities are strengthened by directly linking safety performance to compensation. Furthermore, to promote employee engagement in safety activities, the company runs incentive programs and a safety management mileage system. Quarterly rewards are presented to sites achieving zero accidents, while quarterly weighted incentives and half-yearly rewards are provided to project sites that meet safety diagnosis standards or exhibit outstanding safety activities. Through the safety management mileage system, Hyundai E&C sets quantitative targets and mitigation measures for safety activities, internalizing a culture of safety practices among employees by measuring relevant performance.

▲ Rewards and Incentives Linked to Safety and Health



Grievance Channels Related to Safety and Health

Hyundai E&C operates the “Safety e-Report” and the grievance handling system “H-Dudrim” to actively gather stakeholder feedback on safety and health. Through the Safety e-Report, on-site workers can submit safety and health suggestions, exercise their right to safety, and report violations at any time. As of 2025, 24,351 submissions were received through the channel. Corrective actions have been completed for most cases, with ongoing follow-up management in place. Through “H-Dudrim,” which handles grievances from stakeholders inside and outside the company, Hyundai E&C fully resolved all 28 safety and health-related grievances received from customers, suppliers, and employees. Detailed information on the stakeholder grievance handling process can be found in the ‘Grievance Resolution Process(p.94)’ section of this report.

▲ Results of Safety and Health Grievance Handling in 2025

(Unit: Cases received)

Channel Name	Category	Details	Number of Cases Received
Safety e-Report	Suggestions	Safety, health, etc.	10,892
	Right to stop work	Safety facilities, protective gear, etc.	2,272
	Praise	Safety, health, etc.	1,806
	Violations	–	9,381
H-Dudrim	Customers	Post-completion safety inspection inquiries, etc.	18
	Suppliers	H-Safety Wallet, etc.	6
	Employees	Updates to safety training videos, etc.	4

Occupational Safety and Health ESRS-S1 ESRS-S2

Risk Management

Measures for Supplier Occupational Safety and Health Risk Management

Support for Suppliers' Occupational Safety and Health Management

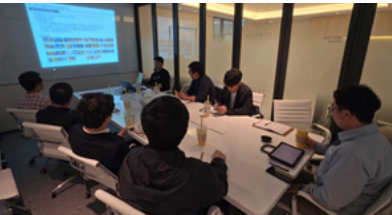
Hyundai E&C operates various support programs to strengthen suppliers' occupational safety and health capabilities and help suppliers establish autonomous safety management systems. In 2025, the company held 60 supplier roundtables. Among 438 eligible suppliers, 375 participated, with 225 on-site suggestions collected on safety and health systems, including external supervision for construction lifts and tower cranes. To support suppliers in establishing their own Occupational Safety and Health Management Systems, Hyundai E&C provides tailored support based on regular safety assessment results. When registering new suppliers or renewing contracts, the company evaluates the implementation status of suppliers' Occupational Safety and Health Management Systems, assigning a 20% weighting for new registrations and a 30% weighting for renewals. Suppliers ranked in the bottom 5% to 10% of evaluation results receive training on Hyundai E&C systems and safety and health consulting to improve their safety standards. For suppliers with insufficient improvement plans, the company applies sanctions such as bidding restrictions to strengthen accountability for on-site safety management.

Reward System for Suppliers with Excellent Safety Management

Hyundai E&C operates the "Safety Management Excellence Award Program" to encourage small and medium-sized suppliers to establish autonomous safety management systems and achieve zero accidents. At the 6th awards ceremony held in October 2025, KRW 295 million in prize money was awarded to 24 suppliers that recorded zero accidents across all projects in 2025. Since the program was introduced in 2022, 192 suppliers have been recognized for their accident-free performance, with cumulative prize money totaling approximately KRW 1.715 billion. Through this program, Hyundai E&C is raising safety and health awareness among its suppliers and building a site-based safety culture by providing incentives.

Supplier Incentive Program

Hyundai E&C operates the "H-Safety Wallet" program, which provides incentives for activities that protect the safety of workers and their colleagues. Supplier employees receive points each time they participate in designated safety activities, such as achieving accident-free certification, attending ToolBox Meeting (TBM) sessions, viewing safety information, or reporting hazards. Since the program was introduced in May 2022, the cumulative amount paid out through the fourth quarter of 2025 has reached approximately KRW 7.9 billion. About 370,000 supplier employees are enrolled and actively participating.



Roundtable with Construction Lift Suppliers



Roundtable with Tower Crane Supplier



2025 Accident-Free Supplier Award Ceremony

CASE

2025 Hyundai E&C Safety Workshop

Hyundai E&C held the "2025 Hyundai E&C Safety Workshop" with representatives from approximately 250 suppliers to discuss measures for strengthening safety management and eliminating serious accidents. The event was attended by Hyundai E&C executives and supplier representatives from across all trades. Participants shared insights on government policy trends in Occupational Safety and Health management and reviewed practical measures, including changes in the safety paradigm, strengthened management of high-risk operations, and trade-specific construction safety forums. The company plans to gradually apply the best practices identified during this workshop to job sites and establish a safety culture built on mutual growth with suppliers.

Safety and Health Training for Suppliers

Hyundai E&C operates training programs to strengthen the safety and health capabilities of suppliers and foreign workers. In 2025, the company conducted in-house safety training for 30,496 foreign workers and provided job-specific and regular training to 784 key personnel from suppliers, including site managers and supervisors. The company also introduced a "Mobile Safety Culture Experience Center," providing VR-based experiential training to 930 workers nationwide.

Awareness training was also provided to 154 workers with repeated safety rule violations, improving the effectiveness of on-site safety management. To help foreign workers overcome language barriers, Hyundai E&C improved "Time-Out Talk," a QR code-based training program available in 22 languages, and established a Foreign Worker Leader System to reduce communication gaps and strengthen the safety and health capabilities of foreign workers.



Safety and Health System Training for Suppliers



On-site Safety Culture Experience Center Training for On-site Workers

▲ Status of Safety and Health Training Completion for Suppliers in 2025 (Unit: Duration(hours), Number of Participants(persons))

Category	Training Title	Duration	Training Content	Target Audience	Number of Participants
Mandatory Training	Safety and Health Training	7	Role-specific training to strengthen safety and health policies and self-regulated safety management	Managers of Domestic Suppliers	302
		24	Practical skills training focused on Safety and Health Management Systems, risk assessment, and accident prevention	Safety Managers at Domestic Suppliers	58
	Regular Training	8	Training on on-site safety management, accident prevention, risk assessment, and response capabilities	Supervisors at Domestic Suppliers	424
In-house Training	Safety Training for Foreign Workers	2	Safety training for foreign workers at domestic sites, with a focus on recognizing workplace hazards and preventing accidents	Foreign Workers at Domestic Sites (China, Vietnam, Myanmar)	30,496
	Change in workers' safety awareness	6	Training to improve safety awareness and build a site-based safety culture	Workers Excluded from Second-Level or Higher Tasks	154
	Hands-on Training	6	Improving safety awareness through hands-on training focused on identifying risk factors and preventing accidents	Safety Managers at Supplier Companies	58
		6.5		Supplier Crew Leaders	35
		2		Supplier Managers and Workers (On-site training)	930

Occupational Safety and Health

ESRS–S1ESRS–S2

Metrics and Targets

Metrics

Category			Unit	2023	2024	2025	
Safety Management Investment			KRW 100 million	2,399	2,773	2,985	
Percentage of Employees Covered by the Occupational Safety and Health Management System			%	100	100	100	
Number of Accidents Resulting in Lost Work Time (Number of Incidents)	Total		Cases	462	629 ¹⁾	704	
	Own Workforce	Subtotal	Cases	45	60	40	
			Subtotal	Cases	33	51	34
		Domestic	Deaths	Cases	0	0	0
			Injuries	Cases	33	51	34
			Subtotal	Cases	12	9	6
		Overseas	Deaths	Cases	0	1	0
			Injuries	Cases	12	8	6
			Subtotal	Cases	417	569 ¹⁾	664
	Supplier		Subtotal	Cases	412	555 ¹⁾	659
		Domestic	Deaths	Cases	3	2	3
			Injuries	Cases	409	553 ¹⁾	656
			Subtotal	Cases	5	14	5
		Overseas	Deaths	Cases	0	0	0
			Injuries	Cases	5	14	5
Accident Fatality Rate per 10,000			‰	0.39	0.36	0.59	
Lost-Time Injury Frequency Rate (LTIFR) ²⁾	Own Workforce		Cases/1,000,000 working hours	0.413	0.529	0.342	
	Supplier		Cases/1,000,000 working hours	1.982	2.779 ¹⁾	3.778	
Occupational Injury Frequency Rate (OIFR) ³⁾			Cases/1,000,000 working hours	0.780	1.181	1.311	
Total Recordable Injury Rate (TRIR) ⁴⁾	Own Workforce		Cases/200,000 working hours	0.292	0.302	0.223	
	Supplier		Cases/200,000 working hours	0.491	0.628	0.812	

※ The 2025 accident rate is as of March 31, 2026, and is subject to change upon the finalization of industrial accident calculation results by the Ministry of Employment and Labor.

※ The increase in the supplier Lost Time Injury Frequency Rate (LTIFR) is partially driven by occupational illnesses stemming from cumulative factors, such as musculoskeletal disorders. The impact from an increase in actual injuries or accident-related disasters is deemed limited, and safety and health management activities targeting high-risk operations and vulnerable workers are continuously being strengthened.

※ Fatalities within the number of lost-time accidents include both illnesses and accidents; as of 2025, there were zero cases of illness-related fatalities for both corporate employees and suppliers.

1) Data has been restated due to the addition of one industrial accident processing case by a joint venture partner at a joint-venture project site.

2) Lost Time Injury Frequency Rate (LTIFR) = (Number of Lost–Time Injuries × 1,000,000) / Total Annual Working Hours

3) Occupational Injury Frequency Rate (OIFR) = (Number of Occupational Illnesses × 1,000,000) / Total Annual Working Hours

4) Total Recordable Incident Rate (TRIR) = (Number of Recordable Incidents × 200,000) / Total Annual Working Hours

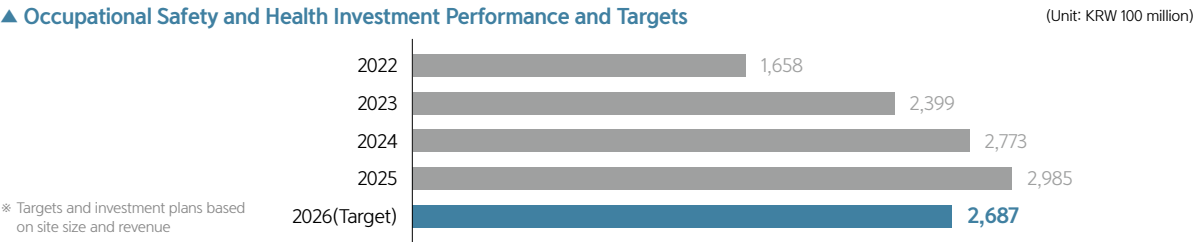
Targets

To achieve “Zero Serious Accidents”, Hyundai E&C has established key performance indicators (KPIs) covering the company's accident rate, supplier accident rates, and the Safety e–Report response rate. Using the company's 2025 accident rate of 0.342 as the baseline, Hyundai E&C has set a target to reduce this rate by 5% each year compared with the previous year. The company also aims to achieve a 100% Safety e–Report response rate by 2026.

▲ Occupational Safety and Health Performance and Mid–to–Long–Term Targets

(Units: LTIFR(Cases/Million working hours), Accident Fatality Rate per 10,000 Workers (‰), Safety e–Report Response Rate (%))

Category	2025(Performance)	2026(Target)	2027(Target)	2028(Target)
Own Workforce Lost–Time Injury Frequency Rate(LTIFR)	0.342	0.325	0.309	0.293
Supplier Lost–Time Injury Frequency Rate(LTIFR)	3.778	3.599	3.419	3.248
Accident Fatality Rate per 10,000 Workers	0.590	0.561	0.532	0.506
Safety e–Report Response Rate	96.1	100	100	100



Monitoring Safety and Health Goals by Business Division

Hyundai E&C establishes annual safety and health goals for each business division. The company strengthens its safety and health management system by monitoring year–end implementation performance.

▲ Safety and Health Goals by Business Division

Category	2024	2025	2026
Infrastructure Division	① Zero Serious Accidents (20% reduction in accident rate)	① Zero Serious Accidents (10% Reduction in Accident Rate)	① Zero Serious Accidents (10% reduction in accident rate)
Building & Housing Works Division	① Zero Serious Accidents (20% reduction in injury incidents, accident-related injuries reduced to 15% or less) ② 100% compliance with core Occupational Safety and Health systems	① Zero Serious Accidents (Achieving an accident rate of 5% or less)	① Zero Serious Accidents (Achieving an accident rate of 5% or less)
Plant Division	① Zero Serious Accidents ② Establish a safety culture through the 3Rs	① Zero Serious Accidents ② Establish fundamentals and principles, implement the SMART System, and embed a safety culture	① Zero Serious Accidents ② Make a future-oriented leap by reaffirming the identity of plant safety
New Energy Division	① Zero Serious Accidents ② Prevent intentional violations of safety rules	① Zero Serious Accidents ② Efficient operation of the Occupational Safety and Health System	① Zero Serious Accidents ② Efficient operation of the Occupational Safety and Health System

Quality Management(Consumers and End-users) ESRS-S4

Governance

Decision-Making Body Overseeing Quality Management-related Risks and Opportunities

Responsibilities of the Decision-Making Body

Hyundai E&C manages and oversees key quality-related risks and opportunities through the Sustainability Management Committee, which operates under the Board of Directors. The Sustainability Management Committee deliberates and resolves on all non-financial management issues, including ESG. It reviews risk factors such as a decline in customer trust and legal dispute risks resulting from quality defects, as well as opportunity factors such as enhancing brand value through strengthened quality competitiveness. In 2026, the committee managed and supervised the “2026 Quality Management Objectives and Policies” for the quality management system, as well as measures for quality risk management, including the establishment of on-site quality systems, on-site technical support, and third-party construction quality Inspection. Furthermore, when quality-related material issues arise, the Sustainability Management Committee determines the response strategy through the management reporting system and, depending on the importance of the matter, makes decisions at the Board of Directors level.

Methods and Frequency of Reporting to the Decision-Making Body on Risks and Opportunities

Hyundai E&C operates a reporting system centered on the Sustainability Management Committee to effectively manage and oversee quality management-related risk and opportunities. In particular, significant quality issues expected to have financial or non-financial impacts on the company are promptly reported and shared with the Sustainability Management Committee.

Approach to Considering Trade-offs Between Risks and Opportunities

Hyundai E&C’s Sustainability Management Committee comprehensively considers potential quality management risks and opportunities that may arise during business operations. The Committee reviews response strategies based on the importance and impact level of each issue and, when necessary, refers matters to the Board of Directors for decision-making. Hyundai E&C will continue to perform board-level oversight based on a reporting system for quality-related material issues.

Management and Oversight of Goal Setting and Progress

Hyundai E&C establishes annual ESG improvement tasks for each division through its Sustainability Steering Committee at the beginning of each year and regularly reviews the status of task implementation and results at the end of the year. The results of these efforts are reported to the Sustainability Management Committee, the company’s highest decision-making body. Specifically, in the quality management area, customer satisfaction is set as a key indicator and target for management.

Roles Delegated to Management and Oversight Methods

Hyundai E&C’s Sustainability Management Committee delegates practical implementation authority to the Head of the Quality Management Group to ensure quality responses grounded in expertise. Accordingly, the Head of the Quality Management Group, as the chief officer responsible for quality management, oversees company-wide quality issues and is enhancing the management system. In particular, in 2025, the company is focusing on strict compliance with quality standards and regulatory requirements, securing expertise, and enhancing the effectiveness of quality management through systematic management.

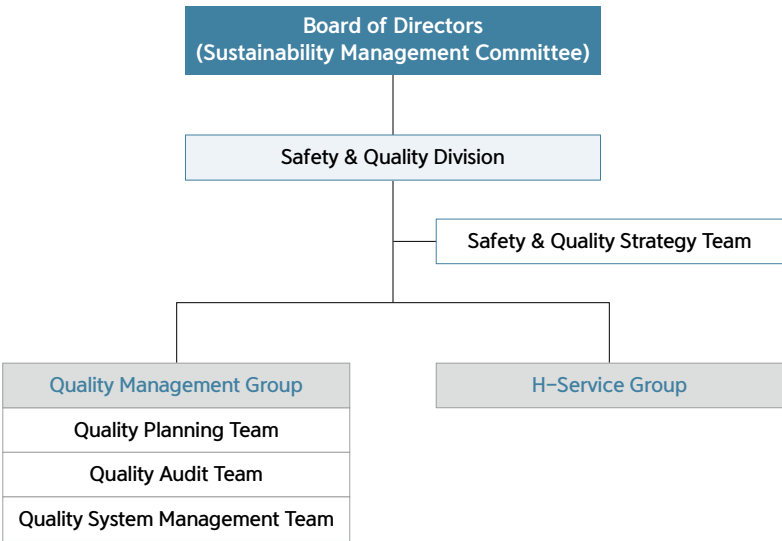
Controls and Procedures to Support the Oversight of Risks and Opportunities

Hyundai E&C operates a specialized organizational structure and a virtuous-cycle management process based on ISO 9001 (Quality Management System) for company-wide quality management. Within this organizational structure, three teams under the Head of Quality Management Group share key responsibilities to enhance the level of quality management. The Quality Planning Team is responsible for on-site quality support, including Q-Support, and overall planning; the Quality Audit Team conducts construction quality Inspection and preventive inspections; and the Quality System Management Team is dedicated to major domestic and international certifications, including ISO and ASME¹⁾, as well as technical support. In addition to the H-Service team, which supports defect repairs and customer satisfaction before and after project completion, Hyundai E&C has recently strengthened its company-wide integrated risk management system through the Safety & Quality Strategy Team. Based on this organizational structure, the company proactively identifies comprehensive risks during the contract award and pre-construction stages (Plan), and conducts real-time quality inspections during the construction phase through on-site incoming inspections and the concrete problem prevention system (QCON) (Do). Subsequently, the company verifies the status of on-site management through regular quality inspections by headquarters (Check), and when deficiencies arise, shares failure cases via our internal training system (HMAP) and conducts training to prevent recurrence, thereby establishing a virtuous cycle for the continuous improvement of quality risks (Act).

1) American Society of Mechanical Engineers (ASME)

▲ Quality Management Governance Organization

(As of June 2026)



▲ Quality Management Internal Control Framework



Quality Management(Consumers and End-users)

ESRS-S4

Strategy

Quality Management-related Risks and Opportunities

Impact of Risks and Opportunities

Hyundai E&C has identified quality management risks and opportunities that could impact the company’s outlook and has identified them across its business model and value chain. The strengthening of laws and regulations, such as the Construction Technology Promotion Act, and the occurrence of quality defects were identified as major risk factors and are managed as key risks that could have a significant impact on business operations. On the other hand, in terms of quality management opportunities, technology-based quality management and increased consumer preference through enhanced quality competitiveness were identified as key factors. Based on an analysis of these risk and opportunity factors, Hyundai E&C plans to establish strategic response plans to strengthen its quality management capabilities.

Type	Category	Risk and Opportunity Factors	Time Horizon ¹⁾			Scope of Occurrence ²⁾	Current and Expected Impacts on the Business Model and Value Chain	
			Short Term	Medium Term	Long Term		Current Impact	Expected Impact
Risks	Policy and Legal	Strengthening of laws and regulations related to quality management, such as the Construction Technology Promotion Act	●	●		Value Chain	- Investment costs incurred due to the strengthening of the quality management system to respond to laws and regulations such as the Construction Technology Promotion Act - Increased operating costs due to the training and education of quality-related professionals - Litigation costs related to defect repairs arising after construction	Reduced competitiveness in securing orders for large-scale projects due to business sanctions resulting from regulatory violations
	Technology	Occurrence of quality defects	●	●		Value Chain	Costs incurred for defect repairs resulting from quality defects	Increase in the direct cost ratio due to post-construction rework and risk of liquidated damages due to project delays
Opportunities	Technology	Technology-enabled quality management		●	●	Business Model	R&D investment for the development of smart construction technologies	- Improved site management efficiency through the establishment of a digital-based smart quality system - Securing a competitive edge for new project procurement through enhanced quality management capabilities
	Reputation	Increased consumer preference through enhanced quality competitiveness	●	●	●	Business Model	Enhanced brand preference through quality management	Securing target expected returns by improving construction reliability

1) Short-term: FY+1, Medium-term: Within FY+2 to FY+5, Long-term: Beyond FY+5

2) Business Model and Value Chain

Quality Management(Consumers and End-users) ESRS-S4

Strategy

Financial Position, Financial Performance, and Cash Flows Related to Quality Management Risks and Opportunities

[Policy and Legal Risks] Strengthening of laws and regulations related to quality management, such as the Construction Technology Promotion Act

Scope of Time	Short-term / Medium-term	Likelihood	High
Impact Severity	High	Scope	Domestic / Value Chain
Financial Impact During the Reporting Period	Hyundai E&C defines the following as major financial impact items in response to laws and regulations, including the Construction Technology Promotion Act: inspection costs associated with strengthening the quality management system; international quality auditor and nuclear quality assurance training costs; and litigation costs related to defect repairs arising after construction. Costs incurred from inspections to strengthen the quality management system, as well as costs related to quality audits and training, affect selling, general and administrative expenses on the income statement, totaling approximately KRW 5.27 billion during the reporting period. In addition, the financial impact of litigation related to construction defects is managed as provisions for litigation liabilities on the statement of financial position, and the net additions to provisions for litigation liabilities recorded during the reporting period amounted to approximately KRW 18 billion, after considering reversals.		
Implications	Quality risks can lead to business suspension or lawsuits due to substandard construction, significantly impacting corporate management. In particular, with the amendment of the “Construction Technology Promotion Act”, the penalty point system, and sanctions—such as restrictions on pre-sales and bid participation—have been strengthened, making penalty point management a key issue in the construction industry. To proactively address these stricter regulations, Hyundai E&C implemented a company-wide preventive strategy. As a result, as of April 2025, the company has maintained a “zero penalty points” record and is effectively managing legal risks. While strengthening the Quality Management System entails short-term costs, Hyundai E&C believes that, in the medium to long term, proven quality capabilities will serve as a future growth driver by enhancing its competitiveness in securing orders and boosting brand value.		
Response and Plans	Hyundai E&C operates a phased quality inspection system to ensure the integrity of construction quality and strengthen management stability through regulatory compliance. In particular, the company has established the Regulations on Inspection to prevent external penalty points, which strictly reflect the penalty point management standards under the Construction Technology Promotion Act, thereby proactively preventing risks associated with non-compliance. Furthermore, the company evaluates construction quality both quantitatively and qualitatively for major work categories, such as Infrastructure, Building, and Plant, to visualize quality levels at each site. Through this monitoring system, the company prevents the occurrence of external penalty points, responds flexibly to regulatory changes, and manages quality risks in a stable manner. For detailed information on the inspection system to prevent external penalty points, please refer to the ‘Inspection to Prevent External Penalty Points(p. 51)’ section of this report.		
Goal Achievement Plan and Progress	In addition, Hyundai E&C utilizes the HPMS (Hyundai Project Management System) to thoroughly verify compliance with legal requirements and ensure the stable operation of its regulatory compliance system. The company conducts Quality Management Check-ups (QMC) and on-site construction quality inspection across all stages from design to construction to regularly assess the quality management level at construction sites. Furthermore, Hyundai E&C plans to continuously enhance its ISO 9001-based Quality Management System to strengthen its regulatory compliance capabilities and proactively manage quality risks.		

[Technology Risk] Occurrence of Quality Defects

Scope of Time	Short-term / Medium-term	Likelihood	High
Impact Severity	High	Scope	Global / Value Chain
Financial Impact During the Reporting Period	Hyundai E&C calculates and manages defect repair costs resulting from construction quality defects as a financial impact item for quality defects. In particular, to proactively reflect potential future obligations related to defect repairs, the company defines additions to the provision for defect repair liabilities as a financial indicator, which affects provisions on the statement of financial position. The total additions to the provision for defect repair liabilities recorded during the reporting period amounted to KRW 88.3 billion.		
Implications	When quality defects or construction defects occur, construction companies are liable for defect liability obligations in accordance with legal regulations. This poses a significant risk that goes beyond mere repair costs, threatening customer safety and undermining external trust in the company. In response, Hyundai E&C strictly complies with defect liability obligations stipulated by law. When defects occur, the company fulfills its repair obligations within the statutory period and responsibly addresses repair and compensation claims, which are the legitimate rights of clients and consumers. Furthermore, to proactively prevent construction defects, the company is strengthening its preventive inspection system and advancing its quality management processes. Through these efforts, the company identifies and addresses potential defect causes at an early stage, thereby minimizing financial volatility associated with additions to the provision for defect repair liabilities and improving consumer satisfaction.		
Response and Plans	Hyundai E&C has obtained and operates international standard quality management certifications, including ISO 9001, ISO 29001, and ISO 19443, to prevent construction defects and enhance quality competitiveness. Based on these certifications, the company operates a quality management system that includes Quality Management Check-up (QMC), Quality Third-Party Inspection (Q-TPI), and Inspection to Prevent External Penalty Points. Through these site-focused inspection activities, the company is enhancing the effectiveness of quality management and proactively identifying and minimizing risks associated with defects. For detailed information on the quality management system and inspections, please refer to the ‘Risk Management(p. 49–54)’ section under ‘Quality Management’ in this report.		
Goal Achievement Plan and Progress	Hyundai E&C is accelerating the digital transformation of quality management by expanding the application of the Mobile Quality Management System (Q-Pocket) to all construction sites, and is continuously reducing the concrete defect rate through data-driven management using the Concrete Problem Prevention System (QCON). Additionally, by strengthening quality diagnostics and construction quality evaluations, the company is operating a prevention-focused management system that identifies and addresses major and recurring defects in advance. Moving forward, Hyundai E&C plans to eliminate quality issues at their source and continuously improve construction quality through the advancement of digital platforms and proactive inspections.		

Quality Management(Consumers and End-users) ESRS-S4

Strategy

Financial Position, Financial Performance, and Cash Flows Related to Quality Management Risks and Opportunities

[Technology Opportunity] Technology-enabled quality management

Scope of Time	Mid-term / Long-term	Likelihood	High
Impact Severity	Moderate	Scope	Global / Business Model
Financial Impact During the Reporting Period	Hyundai E&C manages the costs invested in the development of smart construction technologies as a key financial impact item for technology-enabled quality management. In May 2025, the company invested KRW 280 million in the development of a dedicated application for Quality Third-Party Inspection (Q-TPI), which affects tangible assets ¹⁾ on the statement of financial position. By using this app to detect defects based on data and prevent losses resulting from substandard construction and rework, the company expects to achieve cost savings in the medium to long term.		
Implications	In step with the digital transformation across all industries, Hyundai E&C is enhancing construction quality by introducing smart technologies such as AI and big data to its construction sites. The digital transformation of quality management tasks through the Mobile Quality Management System (Q-Pocket) and the data-driven management system using the Concrete Problem Prevention System (QCON) are now in place at construction sites, driving the automation and standardization of overall quality management. Hyundai E&C plans to continue expanding its smart construction technologies to improve the accuracy of site management and strengthen its quality competitiveness through data-driven decision-making.		
Response and Plans	Hyundai E&C has secured distinctive technical capabilities in the field of smart construction technology, obtaining a total of 755 related patents as of December 2025. In 2025 alone, five patented technologies—including an IoT-based smart anti-pinch system and a big data-based concrete strength prediction system—were commercialized for use on actual construction sites, and an additional five technologies entered the commercialization stage. Hyundai E&C aims to enhance construction quality through the advancement and on-site application of smart construction technologies. Based on this, the company plans to enhance brand trust to drive revenue growth and reduce repair costs by decreasing the number of defects. The results of this Technology-enabled quality management are expected to lead to increased revenue on the income statement and reduced liabilities on the statement of financial position, thereby strengthening financial soundness.		
Goal Achievement Plan and Progress	Hyundai E&C is enhancing the efficiency and accuracy of quality management by introducing smart technologies to construction sites. In particular, the company is promoting the automation and standardization of overall quality management by digitizing quality management tasks through the Mobile Quality Management System (Q-Pocket) and establishing a data-driven management system using the Concrete Problem Prevention System (QCON). Furthermore, the company is improving the efficiency of site management by securing patents related to smart construction technologies and advancing these technologies.		

1) Classified as tangible assets under internal management standards

▲ Status of Major New Smart Construction Technology Patents Acquired in 2025

Acquisition Date	Details	Commercialization Status
January 2025	Construction 3D Printing Device Equipped with Curing Measurement Means	Commercialization Stage
February 2025	IoT-based Smart Anti-pinch System for Construction Sites and Its Operation Method	Commercialized
February 2025	AI-based Occupational Safety And Health Training System and Method	Commercialized
February 2025	Construction 3D Printing Device Equipped with Curing Acceleration Means	Commercialization Stage
May 2025	Deep Learning-Based Mobile Underwater Monitoring Device and Method	Commercialization Stage

[Reputation Opportunity] Increased consumer preference through enhanced quality competitiveness

Scope of Time	Short-term / Medium-term/ Long-term	Likelihood	High
Impact Severity	Moderate	Scope	Global / Business Model
Financial Impact During the Reporting Period	Given the nature of the domestic construction industry, housing projects account for a significant portion of the portfolio. During the reporting period, Hyundai E&C's domestic Building and Housing segment generated 44.6% of total revenue. In this business structure, where Housing accounts for a high proportion of the portfolio, solidifying consumer trust based on quality competitiveness is a key factor directly linked to pre-sales performance and competitiveness in securing orders. Therefore, enhancing brand preference through rigorous quality management is expected to have a direct impact on revenue growth on the income statement.		
Implications	Recently, social concerns over the quality management capabilities of construction companies have been growing due to declining apartment construction quality and the occurrence of major defects in the domestic construction industry. Accordingly, stakeholders' interest in ensuring the safety and actual quality of buildings is higher than ever before. In response to these external environmental changes, Hyundai E&C has established a quality management framework that exceeds legal and social standards and is focusing on proactive prevention activities. In particular, considering the characteristics of its portfolio, with a high proportion of Housing projects, enhancing brand trust through rigorous quality management is essential for strengthening future competitiveness in securing orders and ensuring financial stability.		
Response and Plans	Leveraging its outstanding quality capabilities, Hyundai E&C is carrying out various initiatives to enhance the brand value of Hillstate and THE H. As a result, the company has successfully established a positive brand reputation. For seven consecutive years from 2019 to the present, Hyundai E&C has maintained its position as the industry leader in urban renewal orders, and in 2025, it ranked first in the Korea Quality Satisfaction Index and the Brand Reputation Index, demonstrating its outstanding brand value. For detailed information on Hillstate and THE H, please refer to the "Measures for Consumers and End-users Management (p. 53-54) " section of this report.		
Goal Achievement Plan and Progress	Hyundai E&C is solidifying the brand value of Hillstate and THE H through high-quality construction, thereby enhancing its credibility in the market. The advancement of its quality management system and proactive efforts to prevent defects are leading to improved customer satisfaction, enabling the company to maintain top-tier competitiveness in key indicators such as the Brand Reputation Index. Based on these quality-focused construction capabilities, Hyundai E&C plans to drive stable order intake and continuously expand its brand standing by strengthening communication with customers.		

Acquisition Date	Details	Commercialization Status
June 2025	Method for Integrated Maintenance Management of Underground Storage Facilities Using Artificial Intelligence, and Device for Performing the Same	Commercialization Stage
August 2025	Deep Learning-Based Water Cutoff Device, Control Method Thereof, and System	Commercialization Stage
September 2025	Big Data-Based Concrete Strength Prediction System and Method for the Construction Industry	Commercialized
November 2025	TVWS-Based Smart Tunnel Safety Management System	Commercialized
December 2025	Electric Moving Wall System for Reconfiguring Kitchen Space	Commercialized

Quality Management(Consumers and End-users) ESRS-S4

Strategy

Financial Position, Financial Performance, and Cash Flows Related to Quality Management Risks and Opportunities

Risks and Opportunities That Could Result in Significant Adjustments in the Next Fiscal Year

Hyundai E&C has identified “Occurrence of Quality Defects” as a quality management risk that could result in significant adjustments in the next fiscal year.

▲ Quality Management Risk That Could Result in Significant Adjustments in the Next Fiscal Year

Technology Risk	Occurrence of Quality Defects
Future Financial Impact	Quality defects, such as construction defects and substandard construction, lead not only to restrictions on pre-sales and bid participation due to penalty points, but also to defect liability obligations toward consumers. This acts as a significant business risk that undermines external credibility. The resulting financial losses are expected to affect the income statement through a decrease in revenue and the statement of financial position through an increase in provisions, including the provision for defect repairs.
Response and Plan	Hyundai E&C recognizes quality management as a core business risk and is advancing its related management systems. To prevent construction defects and quality issues in advance, the company conducts regular Quality Management Check-up (QMC) and Quality Third-Party Inspection (Q-TPI), focusing on reducing the likelihood of construction defects and improving customer satisfaction.

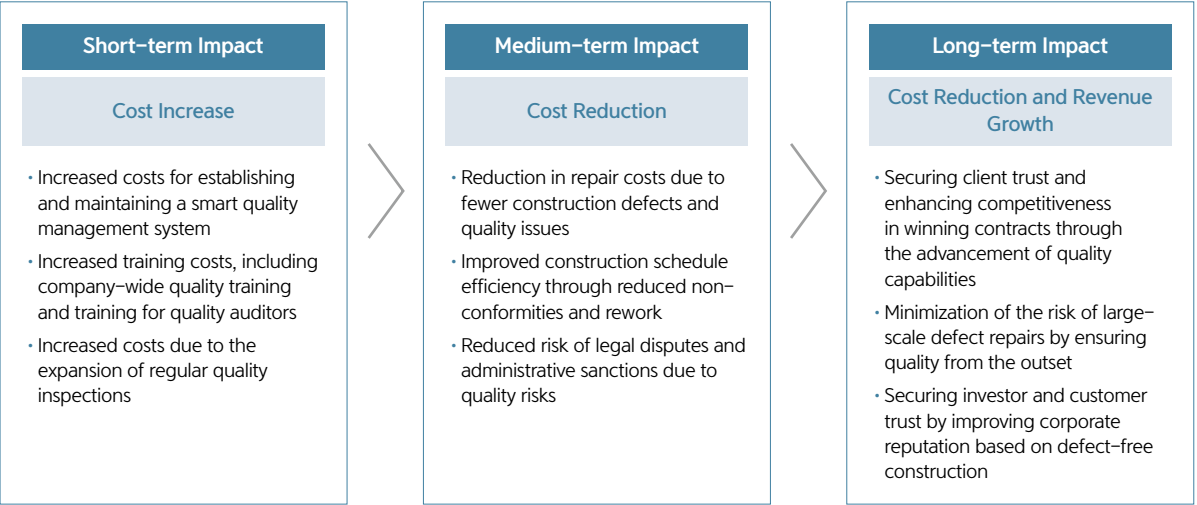
Planned Sources of Funding, Investment, and Disposal Plans for Strategy Implementation

Hyundai E&C continues to invest in minimizing quality-related risks and securing opportunities. The company has established plans for continuous investment in quality training and related research and development to enable efficient site operations based on a smart quality system. Through these efforts, Hyundai E&C plans to enhance its quality capabilities, prevent potential quality defects, and advance its company-wide quality management System.

Financial Impact of Strategy Implementation by Time Horizon

Hyundai E&C is advancing its prevention-oriented quality management system to minimize quality risks and capture opportunity factors. While short-term cost increases are expected due to the initial establishment of smart quality infrastructure and the strengthening of related training and inspections, the company anticipates that these efforts will contribute to improved profitability in the medium to long term by preventing defects and securing construction reliability.

▲ Financial Impact of Implementing Quality Management Strategies



Quality Management(Consumers and End-users)

ESRS-S4

Risk Management

Systems and Policies for Quality Management Risk Management

Quality Policy and Objectives

In January 2026, Hyundai E&C newly established its quality objectives and policies. To achieve “the highest level of quality through quantitative and qualitative goals (Heading for Excellence in Quality),” the company established three key action plans: One-Pass, Double-Check, and 3-Zero. In addition, Hyundai E&C has set the following as its quality policies: establishing an uncompromising quality fundamentals, embedding a self-contained quality execution system, and Driving shared innovation through communication and technology. Through these efforts, the company is focusing on realizing flawless quality.

Quality Policy

All members of Hyundai E&C recognize that perfect quality is the foundation of our highest competitiveness, and are committed to implementing the following Quality Policy to secure customer trust and achieve sustainable growth.

Establishing an Uncompromising Foundation of Quality

We strictly comply with standards and practices without compromise and secure a strong and reliable foundation of quality based on professional expertise and execution capability.

Embedding a Self-Contained Quality Execution System

We institutionalize a self-driven quality risk management and realize close fundamental transparency through transparent and open communication.

Driving Shared Innovation through Communication and Technology

We synergize trust with all stakeholders and provide quality innovation by integrating smart technologies, thereby enhancing sustainability and shared growth.

January 2026
Hansoo Lee
Hyundai E&C CEO

Quality Objectives

HEQ 123 **Heading for Excellence in Quality**
Hyundai Engineering & Construction Co., Ltd.
123

All members of Hyundai E&C shall deeply recognize the importance of quality and actively participate in achieving the highest level of quality, and shall proactively implement the following quality objectives.

1. **One-Pass**

Through uncompromising quality management and strict compliance with standards, achieve "right first time" without rework, thereby enhancing the level of quality.

2. **Double-Check**

Through professional responsibility and quality management, implement a two-stage verification process in all work, ensuring the highest level of quality and reliability.

3. **3-Zero**

Eliminate three critical quality issues: structural safety, quality management, and quality control, thereby ensuring the highest level of quality and reliability.

January 2026
Hansoo Lee
Hyundai E&C CEO

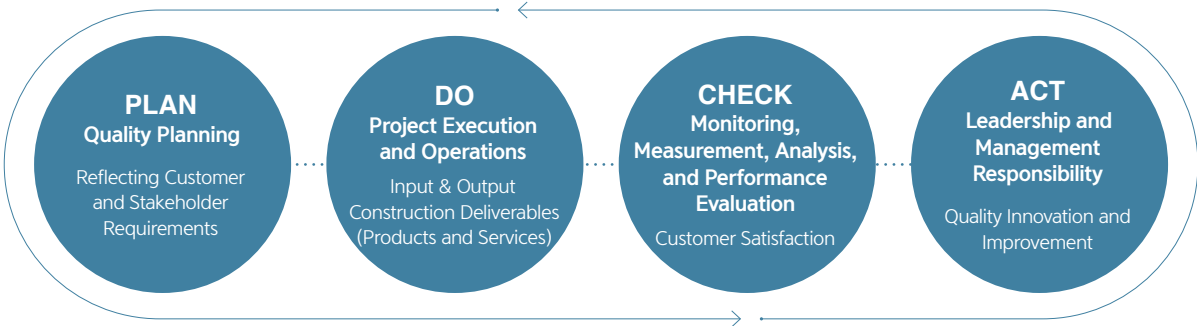
Quality Policy

Quality Objectives

Quality Management System

Hyundai E&C operates its quality management system centered on the requirements of customers and stakeholders. In the quality planning (Plan) stage, the company gathers user feedback and incorporates it into the project execution (Do) process, thereby enhancing the quality of construction deliverables. In the performance evaluation (Check) stage, Hyundai E&C monitors the entire input and output process to measure the quality of deliverables and services. Based on leadership from management (Act), the company continues to pursue quality innovation for customer satisfaction.

▲ Quality Management System (PDCA)



Quality Management System Certification

Since becoming the first company in the domestic construction industry to obtain ISO 9001 (Quality Management System) certification in 1993, Hyundai E&C has built specialized Quality Management Systems tailored to each business division. In particular, to enter the large-scale petrochemical and gas Plant market, the company became the first general contractor in Korea to obtain ISO 29001:2020 (Petroleum, Petrochemical and Natural Gas Quality Management System) certification. In addition, in 2024, the company obtained ISO 19443:2018 (Nuclear Quality Management System) certification, proactively securing the quality requirements necessary to enter the European nuclear power market, including Bulgaria and the United Kingdom.

▲ ISO 9001(Quality Management System), ISO 29001(Petroleum, Petrochemical and Natural Gas Quality Management System), ISO 19443(Nuclear Quality Management System)

Certified Standard	ISO 9001	ISO 29001	ISO 19443
Certification Body	LRQA	LRQA	LRQA
Scope of Certification	All business operations and support departments	All oil and natural gas business operations and support departments	All nuclear business operations and support departments
Validity Period	December 31, 2026	December 31, 2026	August 6, 2027



(Left) ISO 9001 (Middle) ISO 29001 (Right) ISO 19443

Quality Management(Consumers and End-users) ESRS-S4

Risk Management

Monitoring for Quality Management Risk Management

Processes for Risk Management Related to Quality Management

Hyundai E&C proactively mitigates relevant risks through its quality risk management process and is establishing a company-wide quality management system. First, to embed a site-centered Quality Management System, the company operates the On-Site Quality Support (Q-Support) program to support the establishment of quality support systems at construction sites. Subsequently, the company conducts various on-site inspections, including Quality Management Check-up (QMC) and construction quality evaluations, to periodically identify and manage quality risks. The company issues Potential Corrective Reports (PCRs) detailing corrective actions for vulnerabilities and potential defects identified at domestic and overseas sites, thereby systematizing them as organizational assets. It then operates a follow-up feedback process to verify whether corrective actions have been implemented. Finally, the company shares these inspection results and improvement progress through a consultative bodies between headquarters and the sites, and disseminates key improvement cases as company-wide training content to enhance overall quality capabilities.

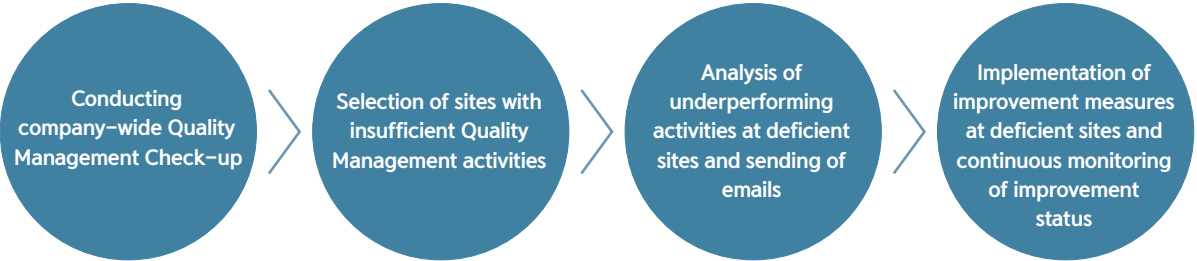
▲ Quality Risk Management Process



Quality Management Check-up

Hyundai E&C utilizes its internal management system, HPMS (Hyundai Project Management System), to assess compliance with legal requirements and, based on this, operates a Quality Management Check-up (QMC) to review the status of company-wide quality management. The QMC is conducted quarterly at all sites using customized checklists based on domestic and international standards, including the Construction Technology Promotion Act and ISO 9001:2015. The check-up results are automatically generated through HPMS and managed as objective quality indicators, enabling quality monitoring throughout the entire project lifecycle, from newly launched sites to sites nearing completion. In particular, for sites identified as having insufficient quality performance based on the check-up results, the company conducts intensive root cause analysis and manages the status of improvement measures. In addition, Hyundai E&C provides training linked to online and offline platforms, including the Mobile Quality Management System (Q-Pocket), to streamline on-site operations and minimize substantive quality risks.

▲ Quality Management Check-up Process



Quality Total OSC Support

Hyundai E&C operates “Q-TOS (Total OSC Support),” a comprehensive quality management system that manages the entire process of multi-unit housing, from factory production of materials to on-site installation. First, the company conducts semi-annual regular inspections of structural fabrication plants, along with unannounced inspections when defects occur, to improve manufacturing quality. At the on-site installation stage, Hyundai E&C has established a phased diagnostic system consisting of initial, interim, and final inspections based on the progress rate. In addition, to enhance on-site communication and inspection efficiency, the company has newly introduced a “Key-person” system, designating quality managers for each trade, and has introduced video training content to strengthen the job competencies of the own workforce and suppliers. Furthermore, through quality enhancement consultative bodies and Supplier workshops, Hyundai E&C is reducing quality gaps among companies. At the same time, by strengthening sanctions against suppliers with insufficient quality performance and establishing a feedback system that includes reflection in company-wide KPIs, the company is realizing a virtuous cycle of company-wide Quality Management.

Quality Management(Consumers and End-users) ESR5-S4

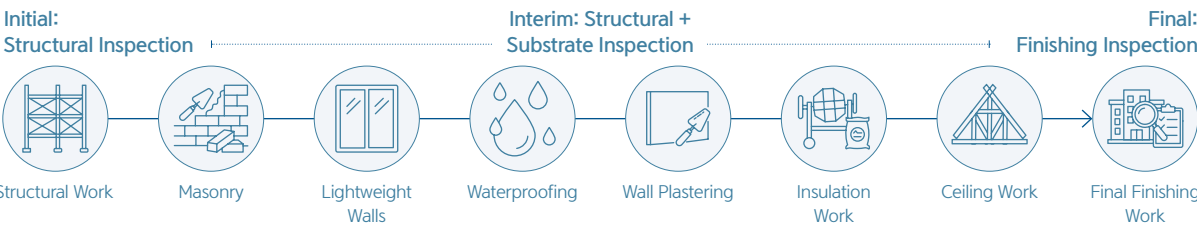
Risk Management

Monitoring for Quality Management Risk Management

Quality Third-Party Inspection

Hyundai E&C operates Q-TPI (Third Party Inspection), a third-party construction quality Inspection system, to ensure quality integrity throughout the entire construction process and to enhance on-site quality management capabilities. This system is operated through collaboration between external specialized agencies and in-house quality experts in each field, and conducts quality level assessments for sites and suppliers across all business divisions. In particular, to eliminate blind spots in quality management at the source, the assessment stages are divided into three phases: initial structural evaluation, interim structural and substrate evaluation, and final finishing evaluation. Through this process, Hyundai E&C identifies potential quality risks at an early stage, including major and recurring defects and design issues. The company also measures the quality mindset of the own workforce and suppliers to analyze the root causes of defects and derive solutions. Corrective measures are implemented for vulnerabilities identified through the assessment results, and accumulated data is used as a basis for improving design and construction standards, thereby establishing a virtuous cycle of quality management.

▲ On-site Construction Quality Inspection Process



Thermal imaging camera inspection



Reinforcement bar detector inspection



Debriefing for site and supplier staff

Inspection to Prevent External Penalty Points

Hyundai E&C has established and operates regulations for Inspection to Prevent External Penalty Points by reflecting the “Penalty Point Management Standards for Construction Projects, etc.” under the Enforcement Decree of the Construction Technology Promotion Act. To minimize management risks arising from non-compliance with quality management laws, regulations, and standards, the company operates a 19-item priority inspection checklist. It conducts reporting and monitoring of inspection results across all domestic sites to proactively prevent the occurrence of penalty points. Through these efforts, Hyundai E&C is focused on enhancing its quality management level and providing services built on customer trust.

Measures for Risk Management Related to Quality Management

Quality Training

Hyundai E&C operates a company-wide quality training program to foster outstanding future construction professionals. The company runs Q-Academy, a quality training program for new quality managers, to provide training on on-site quality practices, key management priorities, and quality systems. In particular, the program incorporates hands-on training with the Mobile Quality Management System (Q-Pocket) to strengthen site-centered practical capabilities. In addition, Hyundai E&C has established a continuous learning system through an online quality training platform and conducts regular quality mindset training for site supervisors and on-site staff to continuously improve the level of on-site quality management.

▲ Status of Quality Training Completion in 2025

(Unit: persons)			
Training Title	Training Content	Target Audience	Number of Participants
Q-Academy Quality Training	Materials and Concrete management, quality regulations, quality testing and management plans, quality assurance	Site Supervisors	119
		On-site Staff	548
		Department of Quality Control, Technical Education Institute	28
		New Quality Managers	97

Quality Management for New Businesses

Hyundai E&C is strengthening its global quality competitiveness in the nuclear power business based on KEPIC¹⁾ Nuclear Quality Certification and ASME²⁾ Nuclear Quality Assurance. In addition, to manage manufacturing quality risks associated with the expanded adoption of Off-Site Construction (OSC), the company operates a headquarters-led quality control system and enhances the quality reliability of core materials through a real-time ready-mixed concrete monitoring system and intensive management of non-conforming suppliers. In line with the diversification of its business portfolio, Hyundai E&C is systematically advancing its quality management systems across all new businesses.

1) Korea Electric Power Industry Code (KEPIC)
2) American Society of Mechanical Engineers (ASME)



KEPIC Nuclear Quality Certification



ASME Nuclear Quality Assurance



Quality Management(Consumers and End-users) ESRS-S4

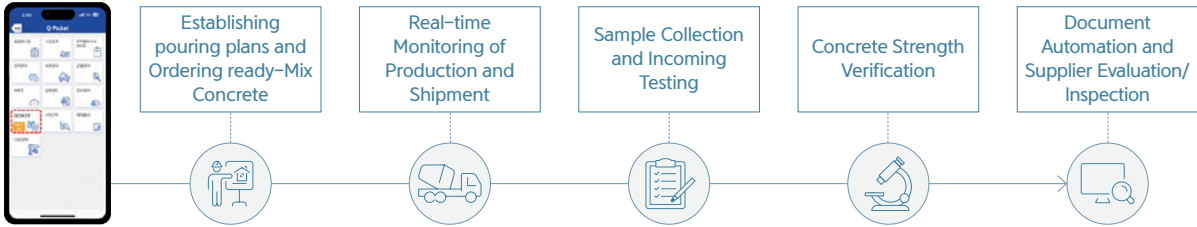
Risk Management

Measures for Risk Management Related to Quality Management

Smart Quality Management

Hyundai E&C is improving both on-site operational efficiency and construction quality through a smart quality management system that integrates advanced technologies such as AI, big data, and IoT. The Mobile Quality Management System “Q-Pocket,” introduced in 2018 as the first of its kind among domestic construction companies, has streamlined processes by digitizing paperwork and established a rapid response system for quality issues through real-time monitoring. In addition, the Concrete Problem Prevention System “QCON” has significantly expanded its scope of management by advancing its smart monitoring capabilities. In addition to existing AI-based strength prediction and automated report generation functions, the system now includes GPS tracking of ready-mixed concrete trucks and an on-site system for verifying manufacturers’ mix ratios. Through this system, Hyundai E&C tracks and manages the entire process in real time, from the production of ready-mixed concrete to site delivery and curing, thereby preventing substandard ready-mixed concrete from entering sites in advance. As a result of this systematic management, the concrete defect rate decreased from 0.3% in 2024 to 0.14% in 2025, contributing to enhanced customer trust by ensuring the structural safety of buildings. Hyundai E&C plans to continue its digital-based quality innovation to create high-quality residential environments where customers can feel assured.

▲ Concrete Problem Prevention System ‘QCON’



On-Site Quality Support

Hyundai E&C operates ‘Q-Support’, an on-site quality system implementation support program, to embed a site-centered quality management culture. Through Q-Support, the company reviews the status of quality document management and the use of smart quality systems at each site, and encourages corrective actions for items requiring improvement. In addition, based on inspection results, the company provides quality management training to project teams or suppliers requiring training, thereby enhancing the overall understanding of quality management across sites. Through this efforts, Hyundai E&C strengthens the quality capabilities of individual sites while supporting systematic and integrated management at the headquarters level.

Strengthening the Quality Management Communication System

Hyundai E&C is strengthening a collaborative system in which headquarters, project sites, and suppliers communicate with one another and share quality management performance company-wide. The company holds Company-wide Integrated Quality Management Councils to share key quality issues and inspection results in real time, and establishes joint response measures for sites or suppliers with low quality performance to proactively manage quality risks. In addition, Hyundai E&C holds Quality Management Briefings at all sites to share the company’s quality policies and objectives, thereby building consensus among its own workforce for the realization of high quality. For Suppliers, the company operates quality workshops to share major defect and litigation cases, as well as improvements in construction methods, thereby supporting the practical enhancement of technical capabilities and the establishment of a high-quality construction culture.

Grievance Channels Related to Quality Management

Hillstate H-Dudrim THE H-Dudrim

Hyundai E&C operates a dedicated communication channel, H-Dudrim, to promptly address the grievances from Housing customers. H-Dudrim is operated separately as Hillstate H-Dudrim and THE H H-Dudrim, providing real-time responses to inquiries related to after-sales service and defect repairs through one-on-one online consultations. Submitted inquiries can be checked on the website, and Hyundai E&C supports prompt responses by providing initial feedback within an average of two business days and notifying customers of the results of actions taken within seven business day. In Particular, to ensure that all customers can use the service without discrimination, the company has obtained Web Accessibility Certification¹⁾, improving information accessibility for the elderly and people with disabilities. In addition, Hyundai E&C has maximized customer convenience by establishing a mobile-based inquiry and consultation system linked to resident-only platforms, my HILLS and my THE H. In 2026, Hyundai E&C introduced a AI-base chatbot called ‘Generative AI Sales Consultant’ within the platform to support 24-hour customer consultations. The company also operates After-sales Service Lounges in line with the completion schedule of each complex to support face-to-face consultations with customers and prompt after-sales service requests. Depending on site conditions, the After-sales Service Lounges are set up in separate spaces within underground parking lots or in vacant units or commercial spaces, and are equipped with face-to-face consultation rooms and consultation operation spaces to respond promptly to customer inquiries and defect reports during the early stages of occupancy. Through these multifaceted communication channels, Hyundai E&C immediately reflects customer feedback at sites and strengthens trust in its brand based on prompt issue resolution.

1) Certification regarding compliance with web accessibility standards, ensuring that people with disabilities and the elderly can access and use website information on an equal basis with non-disabled individuals

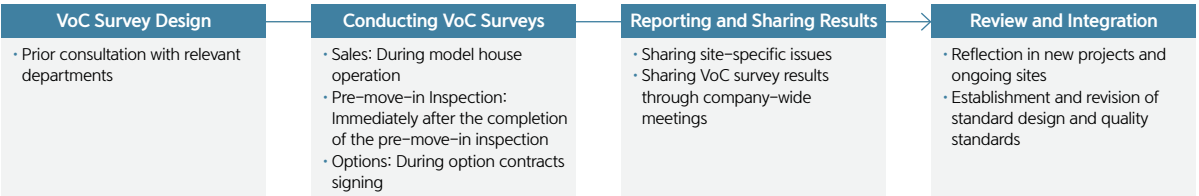
▲ H-Dudrim Customer Feedback Channel

Category	Email Address	Phone Number	In-person Application Location
Hillstate	ascenter@hdec.co.kr	1577-7755	After-sales Service Lounges at Each Site
THE H		1811-6556	

Gathering and Utilizing Customer Feedback

In addition to operating H-Dudrim, Hyundai E&C conducts Voice of Customer (VoC) surveys to gather customer feedback and actively reflects the results in the enhancement of its products and services. VoC surveys are designed through prior consultation among relevant departments and are conducted at key touchpoints in the construction and sales process, including sales, pre-move-in inspections, and option selection. The survey results are shared through site-specific and company-wide sharing meetings, creating a virtuous cycle that not only informs new projects but also leads to the establishment and revision of standard design and quality standards. In the 2025 survey, Hyundai E&C gathered feedback across the entire process, including marketing and product differentiation factors during the sales stage, option preferences, and construction quality and defect reports during the pre-move-in inspection stage. In particular, based on the customer needs identified, the company introduced a new apartment entrance door design and incorporated standalone island outlets into our designs, thereby enhancing substantive customer satisfaction.

▲ Customer Feedback Integration Process



Quality Management(Consumers and End-users) ESR5-S4

Risk Management

Measures for Customer and End-users

Tailored Life Care Services for Residents

Hyundai E&C provides distinctive residential value based on construction expertise and technical capabilities accumulated over more than 60 years. From the former Hyundai Apartments to today's Hillstate and THE H, the company has developed residential spaces into integrated living spaces that enhance quality of life. In particular, Hyundai E&C operates a variety of daily life-oriented services to strengthen the customer experience throughout the entire move-in process. During the initial move-in period, the company provides tailored services such as the Welcome Kit, Welcome Meal, and Hills Tools, while expanding customer touchpoints after move-in through health and wellness housing solutions and community programs. Through these stage-by-stage service, Hyundai E&C enhances residents' residential satisfaction and strengthens the brand experience.

Early Move-in Support



Welcome Kit Service

Welcome Kit Service

Hyundai E&C provides Welcome Kits to households visiting during pre-move-in inspections to enhance the customer experience during the initial move-in period. The components of the Welcome Kit are continuously updated to reflect annual lifestyle trends, and in 2025, the company strengthened its differentiated brand experience by providing a kit developed in collaboration with Starbucks.



Welcome Meal Service

Welcome Meal Service

Hyundai E&C operates the Welcome Meal service, which provides meal boxes to address the inconvenience experienced by residents who may have difficulty preparing meals on the day of move-in. This service is provided to households that apply during the designated move-in period, and Hyundai E&C provides meals of reliable quality through collaboration with specialized brands. Through this service, the company enhances customer convenience during the move-in process and contributes to creating a positive initial move-in experience with the Hyundai E&C brand.



Hills Tools Service

Hills Tools Service

Hyundai E&C operates the Hills Tools service, which allows residents to share tools needed within the complex after move-in, thereby enhancing residents' daily convenience. The service is provided based on the installation of one cabinet per 1,000 households, taking into account the size of each complex. The items are composed mainly of tools frequently used at home, enhancing practical residential satisfaction.

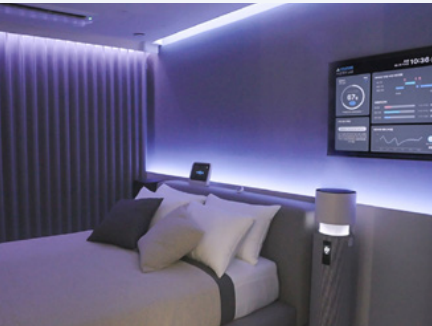
Health & Wellness Residential Solutions



Sleep Environment Solution 'H-sleep'

Sleep Environment Solution 'H-Sleep'

Hyundai E&C is enhancing health-centered residential value by introducing H-Sleep, a smart sleep environment solution designed to improve residents' sleep quality. H-Sleep is a technology that creates an environment optimized for sleep based on an analysis of residents' sleep patterns, contributing to a tangible improvement in quality of life within residential space. Actual application results confirmed significant improvements in sleep quality, including an approximately twofold increase in deep sleep duration, thereby enhancing residents' health and daily satisfaction. Going forward, Hyundai E&C plans to expand H-Sleep into advanced, personalized residential services by linking it with data-driven healthcare technologies.



All Life Care House

All Life Care House

Hyundai E&C is realizing future-oriented residential services through All Life Care House, a health-centered residential model that supports residents throughout their life cycle. This model analyzes genetic analysis data, individual health conditions, lifestyle patterns, and indoor/outdoor environmental data to provide optimized, personalized healthcare services. In particular, it manages residents' health through Wellness services that support exercise, sleep, and diet management; Medical services that quickly connect residents with medical institutions in the event of an emergency; and Health Living services that automatically optimize temperature, humidity, air quality, and lighting. Furthermore, Hyundai E&C is building a hyper-personalized lifestyle care system by combining real-time health monitoring with AI-based personalized coaching technology, while expanding collaboration with bio and healthcare companies to enhance the service expertise.

Quality Management(Consumers and End-users) ESRS-S4

Risk Management

Measures for Customer and End-users

Tailored Life Care Services for Residents

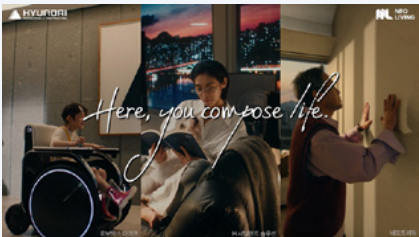
Community and Residential Services



Premium Residential Service 'H Culture Club'

Premium Residential Service 'H Culture Club'

Hyundai E&C operates H Culture Club, an integrated residential service designed to enhance the quality of life for residents of THE H and revitalize the communities within its complexes. H Culture Club is a living solution that offers distinctive programs covering a wide range of lifestyle areas, including culture, arts, health, and education, in connection with community facilities within each complex. By utilizing premium community infrastructure within the complex, such as premium cinemas, libraries, fitness centers, and swimming pools, Hyundai E&C plans to provide a variety of content, including performances, lectures, book curation, and tailored exercise programs.



Total Residential Solution 'Neo Living'

Total Residential Solution 'Neo Living'

Hyundai E&C is presenting a new direction for future housing through Neo Living, a next-generation total residential solution that integrates design, technology, operations, and services. Neo Living is an integrated residential platform that organically combines various key elements so that residents can enjoy a complete life, or 'Wholeness' within their residential spaces. In particular, it combines advanced technologies and residential services to enhance convenience and safety, including NeoFrame, a structural innovation technology that enables flexible space configuration; H Silent Solution, which drastically reduces inter-floor noise; and robot-based daily living services that support everyday convenience. Moving forward, Hyundai E&C plans to continue leading the paradigm of residential culture by delivering differentiated residential experiences tailored to residents' lifestyles through Neo Living.



Integrated Residential Platforms 'my HILLS' / 'my THE H'

Integrated Residential Platforms 'my HILLS' / 'my THE H'

Hyundai E&C operates my HILLS and my THE H, mobile-based integrated residential platforms, to maximize residents' residential convenience and improve service accessibility. Through these platforms, residents can quickly handle a wide range of residential services remotely, from checking announcements within the complex to reserving facilities, applying for community programs, and submitting complaints and defect repair requests. In particular, residents of THE H, Hyundai E&C's premium brand, are provided with the H Culture Club, a differentiated premium community service, through my THE H as a one-stop service. Going forward, Hyundai E&C plans to continuously expand user-centered, customized digital residential services by enhancing platform features based on platform usage data analysis and resident feedback.

Convenience Services



Circulating Bookshelf Service

Circulating Bookshelf Service

Hyundai E&C operates the Circulating Bookshelf Service, a book circulation program that utilizes small libraries within apartment complexes. By replacing a certain percentage of the existing book collection with newly released books every quarter, the company continuously expands residents' reading experience. Books removed during the replacement process are donated, contributing to resource circulation and the creation of social value.

Quality Management(Consumers and End-users) ESRS-S4

Metrics and Targets

Metrics

Quality Management KPIs

To advance its quality management framework, Hyundai E&C establishes and operates internal quality KPIs. The company conducts quality evaluations for the headquarters and each business division, and systematically inspects on-site quality by setting detailed indicators for Quality Management Check-up (QMC) and smart quality items. In particular, to drive substantial improvements in product and service quality, defect prevention performance is reflected in executive KPIs at a weight of 10%, thereby enhancing organizational accountability for quality management. Along with this, incentives are provided to project sites that achieve high quality and lead quality management, and special rewards are granted to employees with outstanding performance to encourage the workforce’s commitment to quality control. Furthermore, in 2025, the company strengthened on-site self-inspection items within the smart quality evaluation, focusing on enhancing the autonomous quality management capabilities of project sites.

▲ Quality KPI Components

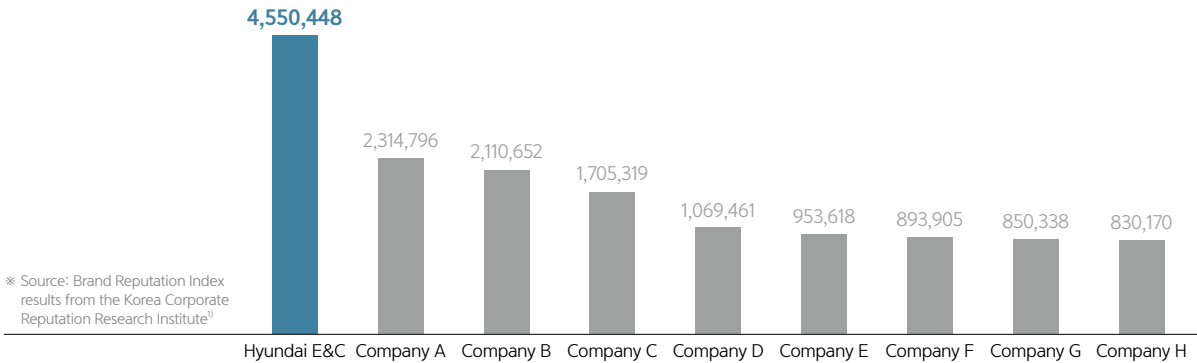
Category	Description
Quality Inspection	Quality Audit Team: Quality assessment by site under its jurisdiction
	Business Division: Quality assessment tailored to the characteristics of each business
Quality Management Check-up (QMC)	Evaluation of Quality Management activities, including the Quality Assurance Index
Smart Quality	Current status of Smart Quality Management, including Q-Pocket

Brand Reputation of Domestic Construction Companies

In the 2025 apartment brand reputation survey announced by the Korea Corporate Reputation Research Institute, Hyundai E&C’s Hillstate ranked first. The Brand Reputation Index is calculated through big data analysis by comprehensively assessing participation, communication, media, community, and social value, and applying weights based on the ratio of positive to negative sentiment. Through this survey, Hyundai E&C ranked first in brand reputation among domestic construction companies, demonstrating its unrivaled brand competitiveness. Moving forward, Hyundai E&C aims to solidify its position as a trusted brand by strengthening communication with customers and creating differentiated residential value.

▲ Domestic Construction Company Brand Reputation Survey

(As of May 2025, Unit: Brand Reputation Index)



※ Source: Brand Reputation Index results from the Korea Corporate Reputation Research Institute¹⁾

1) The Brand Reputation Index is a metric that comprehensively quantifies various factors, including positive and negative brand evaluations, media interest, communication volume, and communication share.

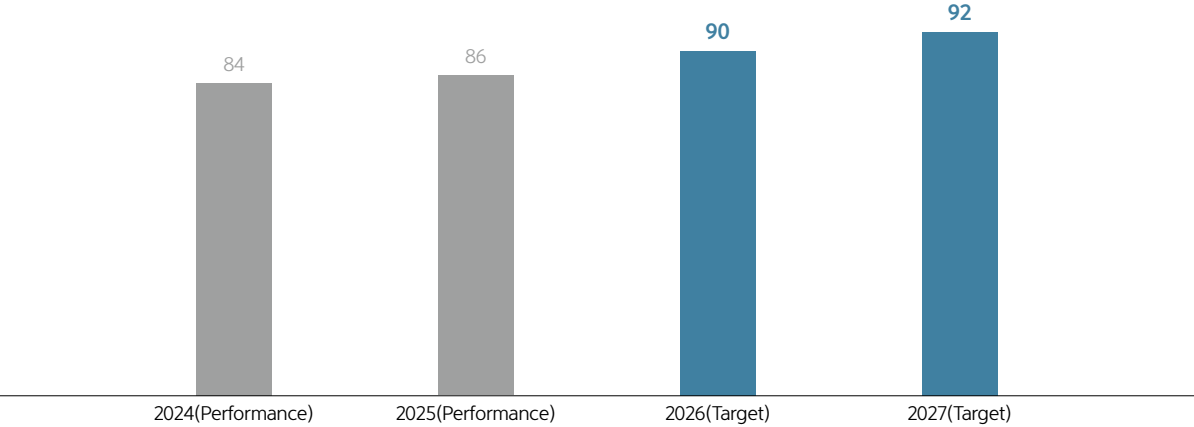
Targets

Customer Satisfaction Survey

To improve Hyundai E&C’s quality management system based on customer expectations and requirements, the company conducts customer satisfaction surveys targeting domestic and overseas customers, including project owners, supervising firms, and design firms. In 2025, the Customer Quality Satisfaction Survey achieved a score of 86, an increase of two points from the previous year’s score of 84. The increase in customer satisfaction was attributed to strengthened on-site quality support, leadership in smart construction quality, and the excellent customer response capabilities of quality staff. Moving forward, Hyundai E&C plans to expand quality training and enhance quality-related systems to achieve a high level of customer satisfaction.

▲ Customer Satisfaction Results and Mid-to-Long-Term Targets

(Unit: points)



CASE

THE H Ranks First in Residential Category of the Korean Standard Quality Excellence Index

Hyundai E&C’s high-end residential brand THE H was ranked first in the high-end residential sector of the 2025 Korean Standard Quality Excellence Index (KS-QEI) by the Korean Standards Association. Hyundai E&C has led the advancement of inter-floor noise reduction technology as the only domestic construction company to apply a Grade 1 flooring system to actual construction sites. In addition, to secure construction quality, the company has introduced an AI-based ready-mixed Concrete Quality Management System to manage safety and quality in real time across all stages. It is also strengthening its pre- and post-occupancy management system through a quality inspection team involving family members of its own workforce and a dedicated customer service organization. Moving forward, Hyundai E&C plans to establish a total residential solution encompassing both hardware and software based on its four future residential solutions, including All Life Care House and H Silent Solution, and to continue creating differentiated residential value.



THE H Named No. 1 in Quality Excellence Index

Climate Change

ESRS-E1KSSB NO.2

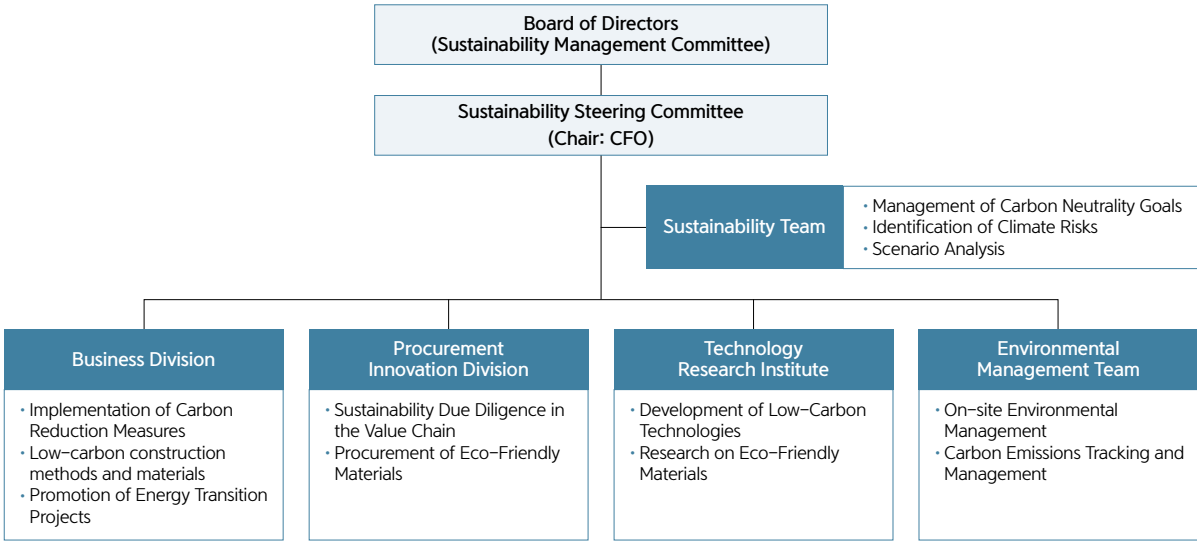
Governance

Decision-Making Body Overseeing Climate-related Risks and Opportunities

Responsibilities of the Decision-Making Body

The Sustainability Management Committee 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 the key roles of the Sustainability Management Committee is to review and approve major non-financial management issues, including environmental, social, and governance (ESG) matters. These responsibilities are stipulated in the Sustainability Management Committee’s operating regulations. In accordance with these responsibilities, the Committee deliberates on and resolves important matters related to climate change to manage and oversee climate-related risks and opportunities.

Climate Change Response Governance Organization



Competence, Capabilities, and Development of the Decision-Making Body

Hyundai E&C continuously appoints and trains directors with relevant expertise to ensure effective oversight of climate-related risks and opportunities at the Board of Directors level. The Nominating Committee for Independent Directors incorporates criteria related to expertise and experience in sustainability, including climate change, into the director nomination process. The newly appointed independent directors on March 26, 2026, are experts in global management and the environment and energy sector. Drawing on their experience in operating large-scale organizations and participating in decision-making, they perform the Board of Directors’ oversight functions in the assessment of climate-related risks and opportunities, strategy review, and investment decision-making processes. Furthermore, on November 21, 2025, we held an ESG seminar for the Board of Directors to share the latest regulatory trends related to ESG and strengthen the Board’s sustainable management oversight functions through training on the ESG-related supervisory roles the Board must perform (such as performance improvement and Climate Change). For detailed information on the composition and training status of the Board of Directors, please refer to the ‘Board Training(p.119)’ of this report.

Details of Climate Change Training for Independent Directors

Date	Organizer	Main Content
November 21, 2025	Kim & Chang Law Firm	• Latest ESG Regulatory Trends and Key Issues in the Construction Industry • The Board of Directors’ role in ESG management (performance improvement, Climate Change, human rights and diversity management, data management, etc.)

Methods and Frequency of Reporting to the Decision-Making Body on Risks and Opportunities

The information necessary for the Sustainability Management Committee to effectively oversee climate-related risks and opportunities is provided by the company’s Sustainability Steering Committee. This Committee reports at least twice a year on performance and plans regarding non-financial matters related to ESG, including the formulation and revision of Environmental Management Policies, the progress of the Sustainability Team (including Climate Change initiatives), and the results of materiality assessments. This contributes to monitoring the Sustainability Management Committee’s response to climate-related risks and opportunities. In addition, the Sustainability Management Committee may request that relevant executives, members of own employees, and external experts attend meetings to submit materials or offer opinions as necessary for the performance of its duties, and may appoint advisors with specialized expertise to receive additional support as needed.

Details of Reports to the Board of Directors Related to Climate Change

Date	Details	Detailed Report	Approval Status
February 19, 2025	Report on the CEO Investor Day	• Report on the direction and strategy for transitioning into a leader in energy transition (nuclear power, renewable energy, etc.)	Reported
February 19, 2025	Convening of the 75th Annual General Meeting of Shareholders and Approval of Agenda Items	• Amendment to the Articles of Incorporation to Add New Business Objectives (Hydrogen Energy Business) for the Promotion of New Businesses, Such as Hydrogen Plants, in Preparation for Carbon Neutrality and the Energy transition	Approved

Details of Reports to the Sustainability Management Committee Related to Climate Change

Date	Details	Detailed Report	Approval Status
March 20, 2025	2024 Sustainable Management Results and 2025 Implementation Plan	• Report on carbon neutrality implementation results, including expanded greenhouse gas emissions management • Report on plans for carbon neutrality implementation and expansion of eco-friendly sales	Approved
July 18, 2025	Report on Key Contents of the 2025 Sustainability Report	• Enhancing the analysis of the impacts, risks, and opportunities of climate change on businesses Results Report	Reported

Approach to Considering Trade-offs Between Risks and Opportunities

Climate-related risks and opportunities are comprehensively integrated into all key decision-making processes, including our core business operations and strategic planning. We define climate-related risks and opportunities based on the TCFD’s risk classification framework and systematically categorize and manage the financial and non-financial impacts of each item on our business operations. In particular, we prioritize risks and opportunities by comprehensively considering factors such as likelihood, magnitude of impact, and financial implications. Key items identified through this process are incorporated as core considerations in decision-making during strategy formulation and business execution, enabling us to make decisions that balance climate risk mitigation with the creation of business opportunities.

Climate Change

ESRS-E1KSSB NO.2

Governance

Decision-Making Body Overseeing Climate-related Risks and Opportunities

Management and Oversight of Goal Setting and Progress

The 2045 carbon neutrality goal is a key initiative representing our climate response and was finalized following deliberation and approval by the Sustainability Management Committee on October 26, 2022. The Sustainability Management Committee receives an annual report from the Sustainability Steering Committee on quantitative and qualitative performance metrics and the status of key tasks related to achieving this goal, thereby monitoring progress toward our climate-related targets.

Executive Compensation Linked to Climate Performance

Hyundai E&C incorporates Climate Change response strategies and targets into our CEO performance evaluation system. The CEO’s KPIs include quantitative indicators related to Climate Change risk management, such as carbon neutrality strategies/targets, the level of management system establishment, and performance in meeting greenhouse gas emission and energy consumption reduction targets. These indicators account for 4% of the total performance evaluation criteria and are linked to the CEO’s compensation structure, including incentives and annual salary.

Roles Delegated to Management and Oversight Methods

The Sustainability Steering Committee, established by the Sustainability Management Committee under the Board of Directors and led by the CFO, is responsible for managing and overseeing climate-related risks and opportunities and drives company-wide responses. This Sustainability Steering Committee continuously discusses key ESG issues, including climate change, and comprehensively manages and oversees various risks and opportunities, including those related to climate change.

Controls and Procedures to Support the Oversight of Risks and Opportunities

The Sustainability Steering Committee is led by the CFO and, centered on its member departments, establishes and manages annual KPIs for ESG improvement initiatives, including climate change. Based on this, the committee operates a control system and procedures to support management’s oversight of risks and opportunities. Affiliated departments report their ESG improvement performance to the committee once per quarter, and key climate change-related issues for each department are shared with the committee through executives and division heads. Additionally, the committee establishes performance targets by sector and links these to departmental and employee KPIs to ensure company-wide execution.

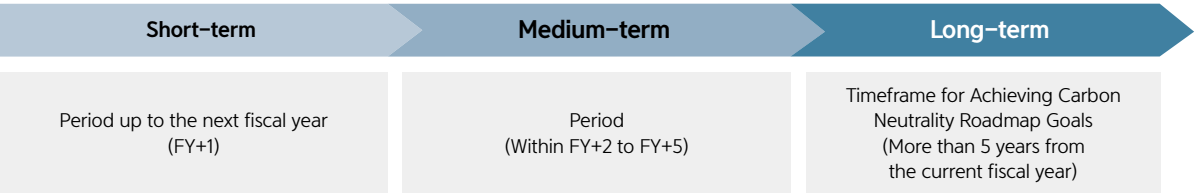
Strategy

Climate-related Risk and Opportunities

Based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Hyundai E&C has systematically identified climate-related risks and opportunities that could impact the company’s medium- to long-term outlook and, based on this, has developed a pool of key issues. The issue pool was developed by referencing key literature, such as the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and research materials related to the construction industry, and by comprehensively reflecting the requirements of various stakeholders, including clients, financial institutions, and NGOs. Through this process, we identified a total of 11 climate-related risk and opportunity factors expected to impact not only domestic and international business sites but also the entire value chain, including upstream and downstream operations, and established a time horizon for each factor based on its expected occurrence.

Linkage between the Scope of the Impact of Risks and Opportunities and the Strategic Decision – Making Planning Period

Hyundai E&C established the scope for the expected occurrence of climate-related risks and opportunities by reflecting the scope examples presented in KSSB No. 2 and the characteristics of the construction industry. Given the nature of business activities in the construction industry, where new construction sites are established and completed annually, we comprehensively considered the average project duration across business segments (Housing/Building, Infrastructure, Plant, and New Energy) to define time horizons as short-term (FY+1), medium-term (within FY+2 to 5 years), and long-term (More than FY+5 years). These timeframes comprehensively consider the potential impacts of risks and opportunities arising from climate change, as well as the company’s strategic planning horizon; however, they are subject to change in the future due to the inherent uncertainty of quantitative data. Based on these timeframes, we are integrating decision-making processes such as establishing a carbon neutrality roadmap that includes climate scenario analysis, reviewing sustainability-related investment plans, and managing risks.



Climate Change ESRS-E1 KSSB NO.2

Strategy

Climate-related Risks and Opportunities

Impact of Risks and Opportunities

Climate-related risks and opportunities are analyzed primarily based on their impact on the business model (strategy, operational methods, revenue structure) and value chain (supply chain, supplier network). These factors are managed by distinguishing whether the factors have a tangible impact at the present time or are likely to emerge in the medium to long term. In particular, due to the nature of the construction industry, which relies on an operational structure centered on outdoor job sites, physical risks such as extreme weather, heatwaves, and increased precipitation caused by climate change are having a direct impact on all aspects of project execution. Additionally, transition risks—such as carbon regulations and stricter environmental standards—are gradually increasing in line with changes in the policy and regulatory environment aimed at addressing climate change. Furthermore, the acceleration of the energy transition and growing demand for low-carbon construction technologies are creating new market opportunities, which are expected to positively impact the diversification of our revenue structure and the enhancement of our technological competitiveness in the medium to long term.

Type	Category	Code	Risk and Opportunity Factors	Time Horizon ¹⁾			Scope of Occurrence ²⁾	Current and Expected Impacts on the Business Model and Value Chain	
				Short Term	Medium Term	Long Term		Current Impact	Expected Impact
Physical Risks	Acute	P1	Increasing severity of extreme weather events such as typhoons, floods, and torrential rain	●	●	●	Business Model	• Construction delays caused by acute weather disasters such as typhoons, floods, and torrential rains result in costs for safety measures (including restoration costs) and increased burdens for on-site operations and management	• Driven by the increasing frequency and magnitude of extreme weather events, costs associated with deploying additional equipment, damage to construction materials, and preventive investments are rising.
		P2	Increase in the number of days with extreme heat	●	●	●	Business Model	• Adjustments to outdoor work hours due to the increase in the number of days with extreme heat, strengthened rest and protective measures for workers, and a decline in on-site productivity	• Reduction in available working hours and increased health management costs due to the normalization of high-temperature environments
	Chronic	P3	Rise in average temperature	●	●	●	Business Model	• Increased demand for cooling at construction sites and workplaces, higher energy consumption, and rising costs for managing working environments due to rising average temperatures	• Increased energy costs, heat-related illness prevention costs, and the burden of switching to high-efficiency equipment due to sustained rising temperatures
Transition Risks	Policy and Legal	T1	Emissions trading system inclusion and strengthened regulations(Current)	●	●	●	Business Model	• Costs associated with emissions management, securing emission allowances, and operating reduction facilities to comply with the emissions trading system and greenhouse gas regulations	• Increased carbon credit procurement costs and emission reduction investment burdens due to the expansion of paid allocation under the emissions trading scheme, rising carbon credit prices, and strengthened reduction obligations
		T2	Mandatory climate information disclosure (Potential)		●	●	Business Model	• Increased costs associated with managing greenhouse gas emissions and verifying climate risk data due to mandatory climate disclosure and growing stakeholder demands	• Increased costs for internal controls, data systems, external verification, and legal liability compliance as disclosure requirements from the KSSB, ISSB, and ESRS take full effect
	Market	T3	Rising prices of raw materials with high carbon intensity		●	●	Value Chain	• Increased construction costs and procurement contract management expenses due to price fluctuations in carbon-intensive raw materials such as steel and cement, as well as rising value chain costs	• Increased volatility in procurement costs for key materials and bid prices due to carbon pricing schemes, CBAM, and growing demand for low-carbon raw materials
	Technology	T4	Rising costs of electrification and transition tohigh-efficiency equipment		●	●	Value Chain	• Initial investment costs and expenses for assessing on-site applicability arise during the introduction of electrified equipment, high-efficiency facilities, and low-carbon construction methods	• Expanded investment in equipment replacement, technology development, and support for switching to suppliers in response to growing demands for low-carbon construction technologies and equipment
	Reputation	T5	Decline in reputation upon failing to respond to climate change		●	●	Business Model	• Increased importance of bid evaluation and reputation management due to growing demands for climate change responses from clients, investors, and rating agencies	• Failure to meet reduction targets, lack of credibility in climate disclosures, or insufficient capacity to execute low-carbon projects leads to reduced competitiveness in bidding, lower ESG ratings, and diminished ability to raise capital
Opportunities	Products and Services	O1	Increased demand for energy transition projects		●	●	Business Model	• New business opportunities are emerging due to growing demand for energy transition infrastructure, including nuclear power, offshore wind, solar power, pumped-storage hydropower, hydrogen and ammonia, and CCUS (carbon capture, utilization, and storage)	• Expanding revenue opportunities in EPC and operations and maintenance (O&M) driven by national energy transition investments and the expansion of power infrastructure
		O2	Increased demand for energy-efficient buildings		●	●	Business Model	• Increased utilization of high-efficiency design and construction capabilities in response to growing demand for energy efficiency certification and eco-friendly building requirements	• Expanding opportunities to secure high-efficiency, low-carbon building projects due to greenhouse gas reduction policies in the building sector and stricter energy performance requirements from clients
	Technology	O3	Increased demand for low-carbon construction technology	●	●	●	Business Model	• Strengthening competitiveness in the development and application of low-carbon construction technologies, such as low-carbon materials, eco-friendly construction methods, OSC (modular construction), and smart construction	• Enhancing competitiveness in winning contracts and expanding opportunities to enter new markets through the value chain to enhance competitiveness in securing contracts and expand opportunities for entering new markets

1) Short-term: FY+1, Medium-term: Within FY+2 to FY+5, Long-term: Beyond FY+5
2) Business Model and Value Chain

Climate Change ESRS-E1 KSSB NO.2

Strategy

Strategy and Decision-Making Related to Climate Change

Response and Plans for Risks and Opportunities

Hyundai E&C is conducting a comprehensive review of the impact that identified climate-related risks and opportunities have on our business model and value chain. Based on this analysis, we have established and are implementing “G-OPIS (Green-Operation, Portfolio, Investment, Spread),” a strategic framework designed to achieve our climate change and carbon neutrality goals. The Sustainability Team periodically reviews the status of responses to key risks, identifies areas for improvement through consultation with relevant departments, and ensures that these findings are incorporated into the organization’s operational standards and policies. Additionally, by setting response priorities that consider both the feasibility of the strategy and the timing of implementation, and by prioritizing the establishment of short-term, achievable goals, we are enhancing the resilience of our climate strategy. The established detailed targets are linked to the KPIs of each executing organization, and implementation results are reported annually to the Sustainability Management Committee through the Sustainability Steering Committee for management and oversight. This response system is linked to the carbon neutrality roadmap and reflected in our company-wide management strategy. Detailed impact analyses and the current status of responses to climate-related risks and opportunities can be found in the ‘Analysis and Implications of Key Risks and Opportunities (p.67-74)’ of this report.

Current and Expected Efforts for Direct and Indirect Mitigation and Adaptation

Implementation Strategy	Current Efforts	Expected Efforts
Green Operation (Renewable Energy, Electrification of Fuel-Powered Equipment, Low-Carbon Operating System) 	- Reduction of greenhouse gas emissions and energy consumption through energy-efficient office practices, transitioning to zero-emission vehicles, and installing/operating solar power generation systems - Application of the OSC method (modular elevator) at domestic sites (HS Songdo Center Park) Key Indicators: Scope 1 and 2 Emissions 2025 Scope 1 and 2 Emissions: 228,498 tCO₂-eq (*Market-based)	- Expanding the transition to renewable energy through solar power generation and Power Purchase Agreements (PPAs) - Continued efforts to reduce fuel consumption through the expanded adoption of energy-efficient offices, the transition to zero-emission vehicles, and equipment optimization - Promote process efficiency and reduce on-site energy consumption by expanding the adoption of Off-Site Construction (OSC) method
Green Portfolio (Green Business Investment) 	- Expanding our order intake across a low-carbon business portfolio, including nuclear power plants, SMRs, offshore wind, pumped- storage hydropower, and hydrogen/ammonia - Secured a contract for equipment upgrades at Unit 1 of the Cernavoda Nuclear Power Plant in Romania - Awarded the 350 MWac LUCY solar power project in Texas - Awarded the 390 MW-class Shinan Ui offshore wind power project - Awarded a preliminary engineering services contract for the 600MW Wando Geumil offshore wind power project - Awarded the 700 MW Pocheon Pumped Storage Power Project - Awarded the Gumi Metropolitan Integrated Bio-gasification Facility Private Investment Project Key Indicators: Sustainable Product Sales 2025 Sustainable Product Sales and Sales Ratio: KRW 10,008,009 million, 60.6% (*on a separate basis)	- Transitioning to a mid- to long-term revenue structure by expanding the share of sustainable product sales to 60% by 2030 - Discovering new business opportunities and expanding the portfolio in response to the growing energy transition marke
Green Investment (Low-Carbon Construction Investment) 	- Expanding investment in eco-friendly R&D and external business expansion - Completion of Korea’s first commercial hydrogen production facility based on water electrolysis - Completion of Korea’s first demonstration facility for an integrated CO₂ capture and liquefaction process for blue hydrogen - Development of technologies for offshore wind power (floating design/construction and fixed foundation structures), biogas-to-energy, and energy management systems to reduce building energy consumption and increase renewable energy utilization (including Vehicle-to-Grid (V2G) bi-directional charging, Energy Storage Systems (ESS), and solar power, etc.) - Securing funds for eco-friendly building and renewable energy investments through the issuance of green bonds - Issuance of green bonds with a scale of approximately KRW 310 billion - Issuance of a scale of approximately KRW 330 billion in green bonds compliant with the K-Taxonomy (the first Korean-style green bond issued by a domestic construction company) Key Metrics: Green Bond Issuance Number and Scale of Green Bond Issuances: 2 issuances, approximately KRW 640 billion	- Phased expansion of investment and capacity building to commercialize technologies and expand external business operations - Field application and expansion of eco-friendly R&D technologies
Green Spread (Fuel management for suppliers,purchasing eco-friendly construction materials, etc.) 	- Establishment and operation of a value chain collaboration system - Verification of performance and applicability through the development of low-carbon cement and its application in pilot sites (Potential reduction of 34.42% in carbon emissions during the production stage and 10.09% in total lifecycle carbon emissions compared to conventional cement) - Development of various low-carbon materials through a technical cooperation MOU with Holcim, a global construction materials specialist - Encouraging the procurement of low-carbon materials through green procurement policies - Participation in a pilot project to establish the Energy Attribute Certificate (EAC) certification framework in Vietnam Key Indicators: Scope 3 Emissions (Purchased Products & Services) 2025 Scope 3 Category 1 (Purchased Products & Services): 2,303,931 tCO₂-eq	- Advancing the Scope 3 management system by improving management standards across the entire value chain and strengthening collaborative frameworks - Strengthening competitiveness and ESG response capabilities by expanding the use of low-carbon materials

Climate Change ESRS-E1 KSSB NO.2

Strategy

Strategy and Decision-Making Related to Climate Change

Transition and Implementation Plan

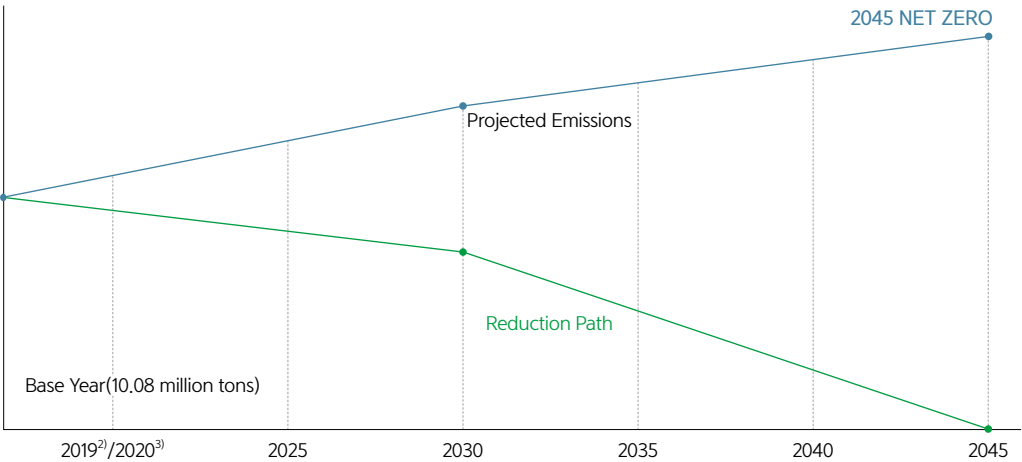
With the goal of achieving carbon neutrality by 2045, we have established mid-term reduction targets to cut Scope 1 and 2 emissions by 46.2% by 2030 compared to the base year (2019), and to reduce Scope 3 emissions by 16.7% by 2030 compared to the base year (2020). In addition, we are developing and implementing a transition plan to achieve company-wide carbon neutrality, including Scope 3 emissions, by 2045. This transition plan was developed to reflect changes in the domestic greenhouse gas regulatory environment, medium- to long-term projections for electricity rates and consumption, and science-based reduction targets aligned with the SBTi's 1.5°C scenario. Accordingly, we have secured validation for our SBTi Near-Term targets. Furthermore, our implementation is anchored in science-based reduction targets that align with the latest climate science and the Paris Agreement's goal of limiting the global average temperature increase to 1.5°C. To systematically execute our climate transition strategy, we have established G-OPIS, our dedicated carbon neutrality strategy, and are managing it with a focus on phased implementation tasks. This transition plan relies to some extent on external factors—such as the expansion of the renewable energy market, increasing demand for low-carbon buildings, and the development of eco-friendly technologies and products—and is subject to adjustment should significant changes occur in these key prerequisites.

2045 NET ZERO

▲ SBTi Target Setting Criteria

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

▲ BAU¹⁾ Scenario

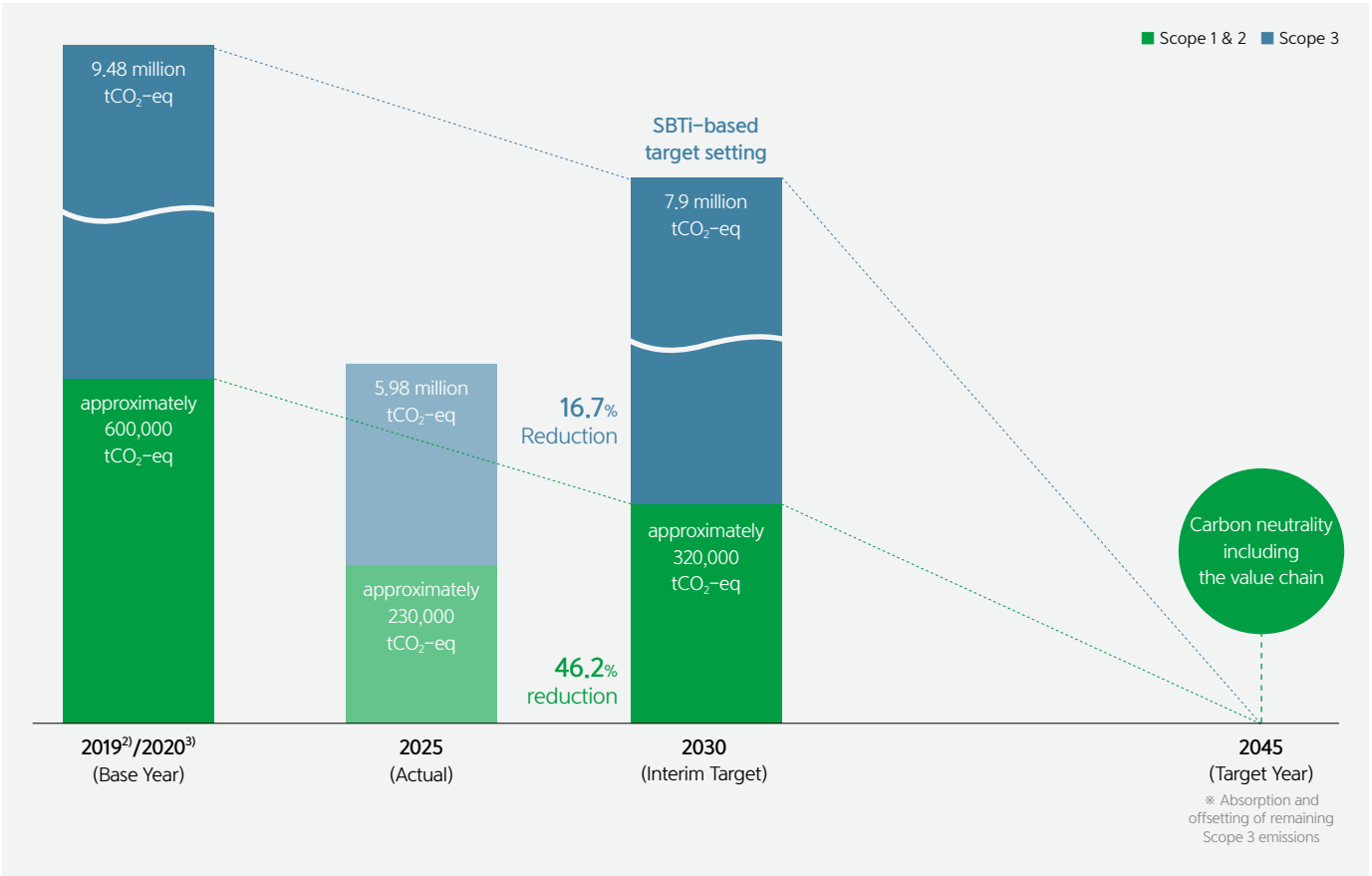


※ Based on domestic and international construction industry growth forecasts (~2030, 3.88%) and domestic economic growth forecasts (~2040, 1.79% / ~2045, 1.31%)

1) BAU (Business As Usual): Greenhouse Gas Emission Projections

2) Scope 1 & 2 Base Year

3) Scope 3 Base Year



Climate Change

ESRS-E1KSSB NO.2

Strategy

Strategy and Decision-Making Related to Climate Change

Resource Allocation in Line with Response Strategies and Transition Plans

Hyundai E&C is securing the necessary resources for activities addressing climate-related risks and opportunities from multiple perspectives, including financial, operational, and human resources. From a financial perspective, we are raising funds for projects related to climate change and energy transition through the issuance of green bonds. In September 2025, the company issued green bonds with a scale of approximately KRW 310 billion to fund eco-friendly building projects and the LUCY solar power generation project in Texas, USA. In January 2026, we issued green bonds with a scale of approximately KRW 330 billion—the first among domestic construction companies to apply the Korean Green Taxonomy (K-Taxonomy) standards—to be used for eco-friendly building projects. From an operational perspective, we are allocating internal resources to mitigation activities such as the adoption of renewable energy, transitioning to zero-emission vehicles, office energy efficiency improvements, and the application of low-carbon materials and construction methods. Additionally, we are evaluating the introduction of mid- to long-term reduction measures, such as the electrification of construction equipment and Energy Storage Systems (ESS), while considering factors like operational stability and the potential for return on investment. In terms of human resources, we are strengthening our capacity to address climate-related risks and opportunities by systematically carrying out tasks such as greenhouse gas emissions management, the formulation and implementation of reduction strategies, and the establishment of monitoring systems, led by professionals specializing in climate change and ESG.

Date	Project Details ¹⁾	Green Bond Proceeds
September 3, 2025	Eco-friendly Building	KRW 304.7 billion
	Renewable Energy	KRW 5.3 billion
January 29, 2026	Eco-friendly Buildings	KRW 330 billion

1) Green Building Certification Projects

Approach to Considering Trade-offs Between Risks and Opportunities

In establishing climate change response strategies and making decisions, Hyundai E&C comprehensively considers not only climate-related risks and opportunities but also the trade-offs with their impact on overall business operations. Mitigation activities—such as the adoption of renewable energy, the transition to zero-emission vehicles, the electrification of construction equipment, and the use of low-carbon materials—have the effect of reducing greenhouse gas emissions, but they may also entail short-term burdens such as increased initial investment costs and reduced on-site operational efficiency. Accordingly, the scope and timing of these reduction activities are determined based on criteria such as operational stability and the likelihood of recouping investment costs. The decision to adopt low-carbon materials is based on the level of technical validation and compliance with quality and safety standards. Furthermore, physical factors caused by climate change, such as heatwaves and torrential rains, can lead to restricted working hours and construction suspensions, resulting in project delays and increased costs. Therefore, we identify and evaluate these risks from the pre-contract stage and incorporate them into our feasibility studies. Hyundai E&C comprehensively analyzes these trade-offs, reflects them in decision-making, and manages the process to ensure rational judgment.



Climate Change ESRS-E1 KSSB NO.2

Strategy

Financial Position, Financial Performance, and Cash Flows Resulting from Climate-related Risks and Opportunities

Current and Expected Financial Impacts

We review the impact of identified climate-related risks and opportunities on our financial position, financial performance, and cash flows, and use this analysis to develop climate change response strategies and detailed implementation plans. In particular, given the nature of the construction industry, climate-related risks and opportunities can affect raw material procurement, site operations, safety management, equipment operation, competitiveness in securing contracts, and the entire value chain; therefore, we are systematically identifying and managing the impact of these factors on our current and future financial information. As well as reviewing how extreme weather events, heatwaves, fluctuations in raw material prices, stricter climate-related regulations, and disclosure requirements during the reporting period could affect construction costs, safety management expenses, repair costs, commissions paid, depreciation expenses, and related cash outflows, we also identified the financial impact pathways through which climate-related opportunities—such as energy transition projects, zero-energy buildings, and low-carbon construction technologies—could lead to expanded order intake, increased revenue, and growth in contract assets and accounts receivable in the future. Accordingly, the table below summarizes the current financial impact of climate-related risks and opportunities on the financial position, financial performance, and cash flows during the reporting period, as well as the likelihood of future financial impact. However, as this information has been calculated and reviewed based on data available at the present time and may be adjusted based on future internal reviews, we plan to supplement our response strategies and financial impact analysis regarding climate-related risks and opportunities should any significant changes occur.

(Unit: KRW million)

Type	Category	Code	Risk and Opportunity Factors	Path of Financial Impact	Impact of Paths on Financial Position, Financial Performance, and Cash Flows	Accounts with Impact	Current Amount of Financial Impact
Physical Risks	Acute	P1	Increasing severity of extreme weather events such as typhoons, floods, and torrential rain	• Safety incidents and insurance costs resulting from flooding, collapse, equipment damage, and work stoppages at construction sites	• Impact on the balance sheet: Impairment of tangible assets • Impact on the Income Statement: Increased construction costs due to additional safety and health expenses, insurance costs, and impairment of tangible assets	• Balance Sheet: Tangible assets (machinery, etc.) • Income Statement: Cost of Sales (safety management expenses, insurance premiums, etc.), Other Expenses (impairment loss on tangible assets)	— ¹⁾
		P2	Increase in the number of days with extreme heat	• Restrictions on outdoor work, reduced working hours, increased rest periods, and costs for air conditioning and health management	• Impact on the Income Statement: Decrease in operating profit due to increased labor costs and site management expenses, as well as rising construction costs	• Income Statement: Cost of Sales (labor costs, employee benefits, safety management costs, etc.)	— ¹⁾
	Chronic	P3	Rise in average temperature	• Increased long-term demand for cooling, reduced equipment efficiency, and rising operating costs due to expanded investments in improving the work environment	• Impact on the Balance Sheet: Acquisition of tangible assets and capital expenditures for workplace improvements • Impact on the Income Statement: Increased energy and maintenance costs; increased construction costs due to higher operating expenses at construction sites	• Balance Sheet: Tangible assets (machinery, etc.) • Income Statement: Cost of Sales (utility costs, repair costs, etc.)	— ¹⁾
Transition Risks	Policy and Legal	T1	Emissions trading system inclusion and strengthened regulations(Current)	• Costs incurred for purchasing emission allowances due to paid allocation and rising allowance prices	• Impact on the Balance Sheet: Recognition of emission allowances and emission liabilities • Impact on the Income Statement: Costs incurred for purchasing emission allowances and transferring emission liabilities	• Balance Sheet: Intangible Assets (emissions allowances), provisions (emissions liabilities) • Income Statement: Cost of Sales , Selling and Administrative Expenses	7.5 ²⁾
		T2	Mandatory climate information disclosure (Potential)	• Establishment of a data management system to address climate disclosure requirements; incurrence of external verification costs	• Impact on the Balance Sheet: Acquisition of intangible assets for climate data management • Impact on the Income Statement: Increase in selling and administrative expenses related to disclosure compliance	• Balance Sheet: Intangible Assets • Income Statement: Selling and Administrative Expenses (fees, training costs, IT expenses, etc.)	— ¹⁾
	Market	T3	Rising prices of raw materials with high carbon intensity	• Rising costs of raw materials and outsourced construction due to the pass-through of carbon costs for high-carbon materials such as steel and cement	• Impact on the Balance Sheet: Increase in inventory; provision for construction losses due to rising costs • Impact on the Income Statement: Decline in gross profit margin due to increased construction costs	• Balance Sheet: Inventory (raw materials, etc.), Accrued Liabilities (provision for construction losses) • Income Statement: Cost of Sales (outsourcing costs, etc.)	— ¹⁾
	Technology	T4	Rising costs of electrification and transition to high-efficiency equipment	• Investment and transition costs associated with the adoption of low-carbon construction equipment, high-efficiency facilities, and on-site energy management technologies	• Impact on the Balance Sheet: Increase in tangible assets, right-of-use assets, lease liabilities • Impact on the Income Statement: Increase in depreciation expense, interest expense, and lease expense (short-term, minor)	• Balance Sheet: Tangible assets, right-of-use assets, lease liabilities • Income Statement: Cost of sales (depreciation expense, lease payments, etc.), financial expenses (lease interest)	5.8 ³⁾
	Reputation	T5	Decline in reputation upon failing to respond to climate change	• Failure to meet climate response requirements from clients, investors, and financial institutions may lead to reduced competitiveness in securing orders and worsened financing terms	• Impact on the Balance Sheet: Decrease in accounts receivable and unclaimed construction work due to lower revenue • Impact on the Income Statement: Decline in revenue due to fewer orders; increase in financial expenses due to worsening financing terms	• Balance Sheet: Accounts receivable, unbilled construction work • Income Statement: Revenue, Financial Expenses (interest expenses)	— ¹⁾

1) As a result of the financial impact analysis, it was determined that these factors could potentially affect Hyundai E&C's financial statements not only in the current period but also in the medium to long term. However, the data currently available to quantitatively recognize the financial impact is limited. Accordingly, Hyundai E&C plans to establish a financial analysis and management system for these items through future data advancement.

2) Because Hyundai E&C will be included in the 4th Phase of the Emissions Trading Scheme starting in 2026, carbon credit procurement costs were not recognized in the current period's financial impact; however, some related costs were incurred during the process of securing advisory services from external experts and building capacity to comply with the scheme.

3) The financial impact on the current period resulting from the increase in costs associated with the transition to electrified and high-efficiency equipment, as recognized by Hyundai E&C, was calculated based on the installation costs for solar power generation systems as part of mitigation activities.

Climate Change ESRS-E1 KSSB NO.2

Strategy

Financial Position, Financial Performance, and Cash Flows Resulting from Climate-related Risks and Opportunities

Current and Expected Financial Impacts

(Unit: KRW million)

Type	Category	Code	Risk and Opportunity Factors	Path of Financial Impact	Impact of Paths on Financial Position, Financial Performance, and Cash Flows	Accounts with Impact	Current Amount of Financial Impact
Opportunities	Products and Services	O1	Increased demand for energy transition projects	• Expansion of orders for EPC and development projects related to the energy transition, such as renewable energy, hydrogen, and power infrastructure	• Impact on the Balance Sheet: Increase in contract assets and accounts receivable • Impact on the Income Statement: Increase in new orders and revenue	• Balance Sheet: accounts receivable, unbilled construction work • Income Statement: revenue	788,122 ¹⁾
		O2	Increased demand for energy-efficient building	• Revenue opportunities arising from an increase in orders for high-efficiency and eco-friendly building projects	• Impact on the Balance Sheet: Increase in contract assets and accounts receivable • Impact on the Income Statement: Increase in new orders and revenue	• Balance Sheet: accounts receivable, unbilled construction work • Income Statement: revenue	1,453,766 ²⁾
	Technology	O3	Increased demand for low-carbon construction technology	• Increased technological competitiveness and order opportunities due to the expanded application of low-carbon materials, modular construction, smart construction, and energy efficiency technologies	• Impact on the Balance Sheet: Increase in contract assets and accounts receivable • Impact on the Income Statement: Increase in R&D and technology investment costs; increase in new orders and revenue	• Balance Sheet: accounts receivable, unbilled construction work • Income Statement: revenue, selling and administrative expenses (R&D expenses)	1,655 ³⁾

1) The financial impact on the current period resulting from the increased demand for energy transition projects, as recognized by Hyundai E&C, is the total revenue generated from the energy sector at construction sites, including EU Taxonomy-aligned renewable energy power generation (such as solar and wind power), electricity transmission and distribution, and nuclear power generation.

2) The financial impact on the current period resulting from the increased demand for energy-efficient buildings, as recognized by Hyundai E&C, is the total revenue in 2025 derived from buildings certified as Grade 1 or higher in energy efficiency.

3) The financial impact on the current period resulting from the rising demand for low-carbon construction technologies, as recognized by Hyundai E&C, is the total research and development (R&D) expenses aligned with the EU Taxonomy.

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Strategy

Financial position, financial performance, and cash flows resulting from climate-related risks and opportunities

Risks and Opportunities That Could Result in Significant Adjustments in the Next Fiscal Year

Hyundai E&C has identified ‘Emissions trading system inclusion and strengthened regulations’ and ‘Rising costs of electrification and transition to high-efficiency equipment’ as climate-related risk and opportunity factors among those identified during the current period that could result in significant adjustments to the carrying amounts of assets and liabilities in the relevant financial statements for the next fiscal year. Starting in 2026, with the implementation of the 4th phase of the Emissions Trading Scheme, if greenhouse gas emissions exceed the free allocation of emission allowances, this may result in a significant adjustment to the carrying amount of liabilities due to the need to purchase additional emission allowances. Furthermore, as external demands for carbon neutrality and emission reduction obligations intensify, continuous investment in assets is expected due to the adoption of electrification and high-efficiency equipment at construction sites. Accordingly, we have identified that significant adjustments to the carrying amounts of assets are likely to occur in the next fiscal year.

Planned Sources of Funding, Investment, and Disposal Plans for Strategy Implementation

For details on planned funding sources, investment plans, and disposal plans for strategy implementation, please refer to ‘Resource Allocation in Line with Response Strategies and Transition Plans (p. 61)’ in this report.

Financial Impact of Strategy Implementation by Time Horizon

▲ Transition to Electrified and High-Efficiency Equipment

Hyundai E&C is gradually reviewing the introduction of electrified equipment and high-efficiency facilities to reduce direct emissions generated during construction site operations and improve energy efficiency. In the short term, costs such as equipment rental fees, equipment acquisition costs, maintenance costs, and related review expenses may increase as we assess the current usage status of existing fuel-based equipment, equipment utilization rates by site, replacement feasibility, and the need to build charging infrastructure. Additionally, at some sites, there is a likelihood that initial acquisition costs and operational expenses will arise as we concurrently conduct pilot applications of high-efficiency equipment and verify operational stability.

In the medium to long term, the scope of application for electrified equipment, high-efficiency construction equipment, and on-site energy management systems is expected to expand. Accordingly, we anticipate that the process of replacing equipment and establishing related infrastructure may have financial impacts regarding tangible assets, right-of-use assets, lease liabilities, depreciation expenses, repair costs, and commission expenses. However, as the equipment transition will be implemented in phases based on the unique process characteristics of each site, equipment supply and demand conditions, technology maturity, and economic feasibility reviews, short-term impacts may primarily reflect initial capital expenditures and increased operating costs. In the medium to long term, however, positive outcomes are expected to materialize, including reduced fuel costs, improved energy efficiency, lower greenhouse gas emissions, and enhanced competitiveness in securing contracts through strengthened low-carbon construction capabilities.

▲ Transition to and Expansion of Renewable Energy Use

Hyundai E&C is considering the expansion of renewable energy use as a key mitigation measure to reduce indirect emissions resulting from electricity consumption at construction sites, including our headquarters. In the short term, there is a likelihood that costs such as external consulting fees, power procurement costs, system installation costs, and internal management costs will arise during the process of reviewing the feasibility of renewable energy procurement, electricity consumption by site, sites suitable for on-site power generation facilities, and plans for utilizing power purchase agreements and renewable energy certificates. Additionally, in the early stages of the transition to renewable energy, utility costs and payment fees may increase due to differences in procurement unit prices compared to existing electricity rates, as well as contract structures and certification methods.

In the medium to long term, various procurement methods—such as on-site renewable energy generation, purchasing external renewable energy, and securing power purchase agreements and certificates—may expand. Consequently, investments in renewable energy facilities, such as solar power, may have an impact on tangible assets, assets under construction, depreciation expenses, and maintenance costs. Conversely, utilizing external power procurement methods may affect utility costs, payment fees, and other operating expenses. However, while the transition to renewable energy may act as a cost-increasing factor in the short term, in the medium to long term, it can lead to reduced emissions, mitigated energy price volatility, improved readiness for climate disclosure, and enhanced capabilities to meet clients’ low-carbon requirements.

▲ Increasing Demand for Low-Carbon Construction Technologies

Hyundai E&C identifies low-carbon construction technologies as a key opportunity in the climate sector, given the growing demands from clients, investors, and policy and regulatory bodies for low-carbon construction, the use of eco-friendly materials, improved energy efficiency, and reduced carbon emissions across the entire construction process. In the short term, costs may arise from research and development expenses, testing and verification costs, external consulting fees, and the deployment of technical personnel during the process of reviewing the applicability of low-carbon materials, developing eco-friendly construction methods, advancing smart construction technologies, and verifying on-site energy efficiency technologies, as well as pursuing related R&D projects. Additionally, short-term cost burdens may increase during the process of verifying commercialization potential and aligning our technology portfolio to meet client requirements. In the medium to long term, the scope of application for low-carbon construction technologies—such as low-carbon concrete, OSC (modular construction methods), smart construction management, and energy-saving design and construction technologies—is expected to expand. Consequently, while related R&D investments and technology acquisition costs may continue to arise, we believe that as technology commercialization and project application expand, this will lead to enhanced competitiveness in securing low-carbon and eco-friendly projects, expansion of high-value-added businesses, strengthened responsiveness to client evaluations, and increased revenue opportunities. In particular, low-carbon construction technologies can serve as a strategic element that goes beyond a simple cost-saving measure to simultaneously secure climate change response capabilities and technological differentiation; in the medium to long term, they may have a financial impact on revenue, contract assets, order backlog, and intangible assets.

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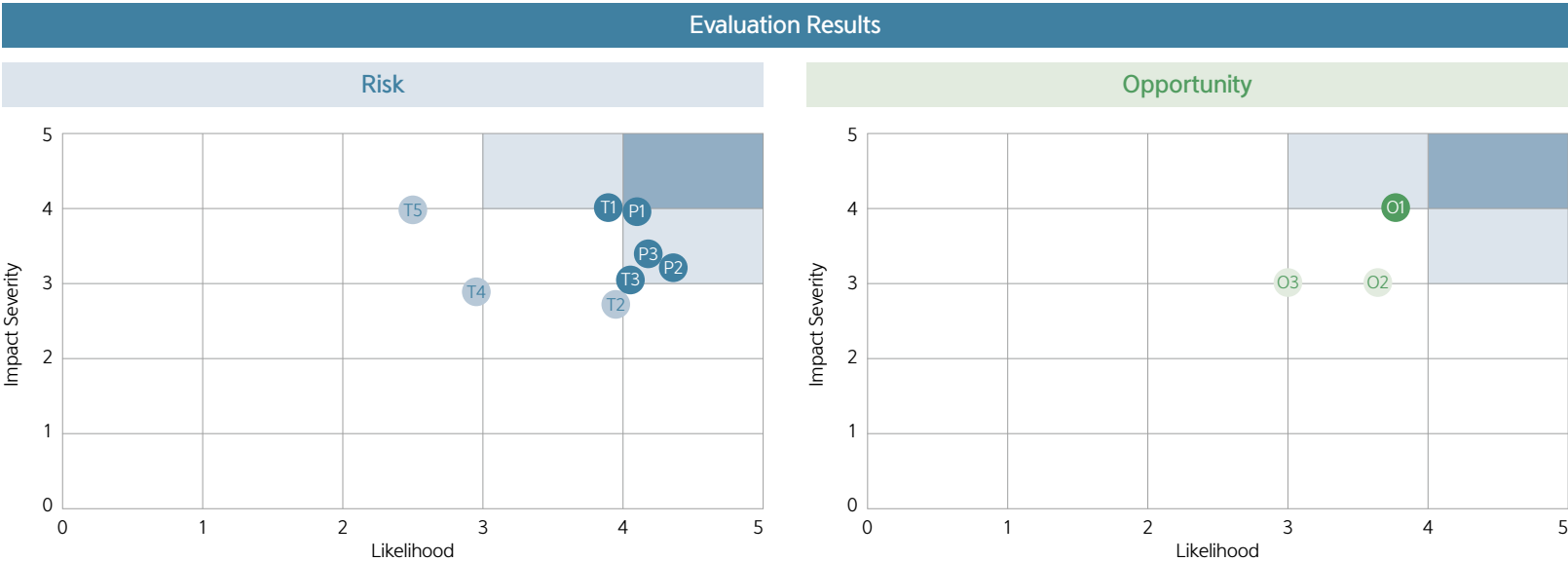
Climate Materiality Assessment

Results of Key Risk and Opportunity Identification

As a result of identifying key risks and opportunities through a climate materiality assessment, ‘increasing severity of extreme weather events such as typhoons, floods, and torrential rains’ and ‘an increase in the number of days with heatwaves and a rise in average temperatures’ were identified as major physical risks, while ‘inclusion in the emissions trading scheme’ and ‘rising prices of carbon-intensive raw materials’ were identified as major transition risks. Additionally, ‘increasing demand for energy transition projects’ was identified as a key opportunity. For specific financial impacts and implications related to each factor, please refer to the ‘Climate Resilience (p.66–74)’ of this report.

Evaluation Criteria		
Score	Likelihood	
5	Very high	High likelihood of recurrence within the next 1 to 3 years
4	High	Likelihood of occurrence is at least once within 5 years
3	Moderate	Likelihood of occurrence under specific conditions
2	Low	Low probability of occurrence under normal conditions
1	Very low	Very low probability of occurrence as an exceptional event
0	None	No likelihood of occurrence

Score	Impact Severity	
5	Very high	Long-term impact on the company’s revenue model and core assets
4	High	Significant impact on profit and the cost of a specific business segment
3	Moderate	Impact on annual revenue/cost structure, but recovery is possible
2	Low	Impact exists but is not financially significant
1	Very low	Only adjustment of internal processes needed
0	None	No impact



Type	Category	Code	Time Horizon	Risk/Opportunity Factors	Rank
Physical Risks	Acute	P1	Short-term	Increasing severity of extreme weather events such as typhoons, floods, and torrential rain	1
		P2	Medium-term	Increase in the number of days with extreme heat	3
	Chronic	P3	Short-term	Rise in average temperature	5
Transition Risks	Policy and Legal	T1	Medium-term	Emissions trading system inclusion and strengthened regulations	6
		T2	Medium-term	Mandatory climate information disclosure	7
	Market	T3	Medium-term	Rising prices of high-carbon-intensity raw materials	2
	Technology	T4	Medium-term	Rising costs of electrification and transition to high-efficiency equipment	10
	Reputation	T5	Long-term	Decline in reputation upon failing to respond to climate change	11
Opportunities	Products and Services	O1	Medium-term	Increased demand for energy transition projects	4
		O2	Medium-term	Increased demand for energy-efficient buildings	8
	Technology	O3	Medium-term	Increased demand for low-carbon construction technologies	9

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Climate Resilience

The construction industry is characterized by a high proportion of outdoor site operations during the construction phase and the input of diverse resources, including materials, equipment, and labor. Consequently, climate change can impact business operations and financial performance not only through physical risks such as typhoons, torrential rains, and heatwaves, but also through transition risks and opportunities, such as stricter greenhouse gas regulations and fluctuations in raw material prices. Accordingly, we have identified key physical risks by considering the geographical locations and operational characteristics of our construction sites, and analyzed the potential financial impacts these risks could have on cost increases and asset impairment. Furthermore, we examined the impact of major transition risks and opportunities by applying various scenarios, including changes in policy, markets, and technology. Based on this, we comprehensively assessed the potential impact of climate-related risks and opportunities on our business over the short, medium, and long term, and analyzed our climate resilience by considering both the feasibility of response strategies and their financial implications.

Overview of Physical Risk Scenario Analysis

Hyundai E&C utilized Jupiter Intelligence, a climate-specific modeling-based analysis tool, and the Korea Meteorological Administration's Climate Information Portal to quantitatively analyze the impact of physical risks on the operations and financial performance of major project sites. The scope of the analysis included the headquarters and major domestic and international construction sites, and potential impacts were assessed by considering the geographical characteristics of each site and the level of exposure to specific climate hazards. The physical risk analysis applied the SSP (Shared Socioeconomic Pathways) scenarios presented in the IPCC's Sixth Assessment Report. These scenarios reflect various climate pathways that may vary depending on global climate policy levels, socioeconomic changes, and each country's response capacity, and were used as a benchmark to analyze the impact of physical risks caused by climate change on business sites. The detailed analysis was conducted by categorizing risks into exposure levels and financial impacts for each disaster. Exposure levels for each disaster were assessed using Jupiter Intelligence's Climate Score Global, focusing on current risk levels and future volatility from 2020 to 2050. Financial impacts were calculated primarily based on the annual average predicted losses provided by Jupiter Intelligence and the impact of productivity declines due to climate factors such as heatwaves. Through this process, the potential financial impacts of physical risks for each major facility were derived based on high-emission and low-emission scenarios.

Analysis Scenarios

Category	Description
SSP1-2.6 (Low-Emission Scenario)	A scenario in which eco-friendly and sustainable economic growth is possible due to the development of renewable energy technologies
SSP2-4.5 (Medium Emission Scenario)	A scenario in which the pace of climate change mitigation and socioeconomic development is moderate
SSP5-8.5 (High-emission scenario)	A scenario characterized by rapid industrial and technological development, high fossil fuel consumption, and widespread unregulated development

Scope of Scenario Analysis

For the physical risk analysis, we selected a total of 20 sites, including our headquarters (Gye-dong Building) and project sites. Given the nature of the construction industry, where new projects are started or completed annually, we selected sites by considering both quantitative and qualitative criteria. For the quantitative criteria, we initially classified all project sites based on revenue and contract value by business sector (Housing/Building and Infrastructure, Plant, and New Energy), selecting those that exceeded a certain threshold for financial significance. Subsequently, sites with a history of climate-related disasters in the past two years were additionally identified, ensuring that qualitative criteria were comprehensively considered in the selection process. Furthermore, by including not only construction sites currently underway during the reporting period but also those scheduled for construction within the next 1-2 years, the practicality of the analysis results was enhanced to enable effective responses to future physical risks.

Domestic	Seoul, Gyeonggi, Daejeon, Ulsan, Uljin, Wando
Overseas	Saudi Arabia, Iraq, Philippines, Vietnam, Panama, United States, Bulgaria

▲ Targets for Physical Risk Scenario Analysis

Regions and Countries		Major Project Sites (20 in total, including headquarters)	
Asia	South Korea	Hyundai E&C Headquarters (Gye-dong Building)	
		Housing/Building Site A	
		Housing/Building Site B	
		Housing/Building Site C	
		Housing/Building Site D	
		Housing/Building Site E	
		Housing/Building Site F	
		Housing/Building Site G	
		Housing/Building Site H	
		Infrastructure Site A	
		Plant Site A	
		New Energy Site A	
		Saudi Arabia	
		Plant Site B	
Americas	United States	Iraq	
		Plant Site C	
		Philippines	
		Infrastructure Site B	
		Vietnam	
Europe	Bulgaria	Plant Site D	
		Infrastructure Site C	
		Panama	
		Plant Site E	
		New Energy Site B	
		New Energy Site C	

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Strategy

Climate Resilience

Analysis of Key Physical Risks and Implications

To identify and respond to the physical risks that climate change poses to our major business sites, Hyundai E&C utilized Jupiter Intelligence to analyze a total of nine climate hazard factors. This analysis evaluated our headquarters as well as major domestic and international construction sites, assessing both the current level of exposure to climate hazards and the projected risk volatility from 2020 to 2050. Each score relatively indicates the site's exposure to specific climate risks compared to global regions. The analysis reveals that typhoons, torrential rain and heatwaves are the primary physical risks capable of impacting our headquarters and major domestic/overseas sites, considering both current risk levels and future volatility comprehensively. For typhoons, the current risk level and risk volatility are apparent across most domestic and overseas sites, indicating a sustained impact. Meanwhile, domestic sites showed relatively high risk levels for torrential rain and cold waves at present due to geographical characteristics. However, while the risk level for cold waves is likely to mitigate in the medium to long term due to global warming, heatwaves exhibited high future risk volatility, underscoring the ongoing need to manage outdoor work restrictions and reinforce worker safety management amid expanding extreme high-temperature events. For overseas sites, business sites located in high-temperature regions such as Saudi Arabia, Iraq, and Philippines displayed high risk levels for heatwaves even at present, with the analysis indicating that this risk could expand further as temperatures rise. Furthermore, exposure to acute climate hazards such as typhoons and torrential rain was identified at certain overseas sites, necessitating site-level response systems that reflect regional disaster characteristics and operational conditions. Accordingly, based on the physical risk analysis results, Hyundai E&C plans to identify key climate hazard factors by site and progressively strengthen response measures for high-risk sites, including safety management, schedule management, equipment/material protection, and inspections of drainage and disaster prevention infrastructure. In particular, torrential rains and typhoons—which were evaluated to have high current risk levels—and heatwaves—which showed significant future volatility—are recognized as risks requiring priority management from a climate resilience perspective, and we plan to continuously monitor them in connection with site operations and financial impact analysis.

▲ Analysis of physical risk exposure by facility

■ Cannot be measured (The site is located at sea, making analysis difficult) □ Decreasing (Risk level has decreased over time) ■ Low (0-25) ■ Moderately low (26-50) ■ Moderately high (51-75) ■ High (76-100)

[illegible]

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Strategy

Climate Resilience

Analysis of Key Physical Risks and Implications

Hyundai E&C analyzed the potential financial impact of physical climate change risks targeting our headquarters and major domestic and overseas construction sites. The analysis targets were selected by comprehensively considering financial materiality and climate risk exposure, and the assessment was conducted across a total of 20 business sites. For construction sites other than our headquarters, accurately measuring the financial value of tangible assets under construction is limited due to the nature of the industry. Therefore, we calculated the financial impact based on available financial data, such as contract value and revenue per construction site, as recommended by Jupiter Intelligence. For the selected sites, we estimated potential losses caused by typhoons, floods, wildfires, and heatwaves utilizing Jupiter Intelligence, and derived the annual average predicted loss¹⁾ per site across all construction sites, including the headquarters, for each designated time horizon. Due to the nature of the construction industry, some of the analyzed sites are expected to be completed prior to the medium- to long-term horizons; accordingly, the analysis results for the long-term horizon reflect changes in the number and scale of the evaluated business sites. Furthermore, due to the inherent uncertainty in the climate change forecasting process, the results of the physical risk analysis may vary depending on climate factors, scenario conditions, and site-specific circumstances. Taking this into account, we focus on identifying the major impacts that climate change could have on our sites and construction operations through physical risk financial impact analysis, and on proactively identifying and responding to potential risk factors. Moving forward, we plan to continuously refine our analysis scenarios and methodologies to address rapidly changing climate conditions, and to incorporate prediction results based on more precise data into site operations and risk management.



* Based on the contract value of a single fiscal year

1) The annual average predicted loss rate is a quantified indicator of expected financial losses (operating expenses, capital expenditures, and revenue impacts) caused by physical risks, considering the analyzed regions and asset types (average values across return periods ranging from 10 to 500 years).

2) The financial impact amount was calculated based on the average loss amount across 20 business sites, including the headquarters, for each time horizon. (*For the long term, figures were calculated up to 2035, taking into account the completion periods of construction sites.)

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Strategy

Climate Resilience

Analysis of Key Physical Risks and Implications

P1 [Physical Risk][Acute] Increasing severity of extreme weather events such as typhoons, floods, and torrential rain

Time Horizon	Short-term / Medium-term / Long-term	Likelihood	High
Impact Severity	High	Scope of Occurrence	Global / Business Model
Potential Financial Impact	Approximately KRW 3.8–4.0 billion (based on SSP1–2.6 to SSP5–8.5)		
Implications	The construction industry relies heavily on on-site outdoor work, making it vulnerable to direct financial impacts—such as flood damage, project delays, equipment damage, and increased site idling costs—when extreme weather events like typhoons and floods occur. Additionally, there is a likelihood of additional financial burdens arising from increased restoration costs, greater volatility in construction schedules, rising insurance premiums, delays in fulfilling contractual obligations, and disruptions in material procurement. In 2025, damage caused by typhoons and torrential rain at construction sites was a major issue due to extreme weather events; flooding of construction materials, the influx of soil and debris, and the displacement of site protective barriers by strong winds resulted in damage to nearby vehicles. Consequently, compensation claims arose from these damages; however, as these are expected to be covered within the limits of the insurance policies taken out for each project, our financial loss is deemed to be minimal, indicating that we possess resilience. However, it was estimated that if systematic management of response strategies for major construction sites is inadequate, the potential financial impact resulting from intensifying weather anomalies could amount to approximately KRW 3.8–4.0 billion. This figure represents the average financial impact per site resulting from weather-related damage over the short and long term, as calculated through scenario analysis. It suggests that the scale of potential losses is expected to gradually increase if extreme weather events occur repeatedly, and we plan to use this data to proactively develop site-specific risk response measures and establish management priorities.		
Response Strategy (Within 5 Years)	To address the increasing physical and acute risks associated with climate change, Hyundai E&C is incorporating regional weather forecast data and climate scenarios into the construction planning process. In the event of project delays caused by natural disasters, we will consult with our clients regarding the likelihood of extending the construction period to mitigate contractual risks. Additionally, to prevent typhoon damage, we have established site-specific emergency response systems and conduct regular inspections and drills. Preventive measures to minimize damage from wind and flood disasters are also implemented throughout the entire construction process. Furthermore, to prepare for physical asset damage and liability losses, we are reviewing the possibility of securing construction insurance and incorporating relevant clauses into contracts. We have also established response manuals to address utility outages or damage to major equipment caused by extreme weather events such as typhoons, ensuring a swift and systematic response in the event of a crisis.		

P2 [Physical Risk][Acute] Increase in the number of days with extreme heat /
P3 [Physical Risk][Chronic] Rise in average temperature

Time Horizon	Short-term / Medium-term / Long-term	Likelihood	Very High
Impact Severity	Moderate	Scope of Occurrence	Global / Business Model
Potential Financial Impact	Approximately KRW 5.8–6.0 billion (based on SSP1–2.6 to SSP5–8.5)		
Implications	Extreme temperatures, including heatwaves, can have direct and indirect impacts on worker health and safety as well as on-site work processes. According to the analysis, the sites with the highest current exposure to heatwave risks were Saudi Arabia, Iraq, Philippines, and Vietnam, in that order, and risks related to extreme temperatures were identified as a major concern across all regions. Heat waves can trigger human-related risks that increase the likelihood of heat-related illnesses and safety accidents, which can lead to reduced work efficiency and decreased productivity. Additionally, heatwaves can cause operational and technical risks, such as reduced working hours and project delays, and may also have environmental impacts, including increased energy consumption and greenhouse gas emissions due to the increased operation of cooling systems. An analysis of the potential financial impact resulting from an increase in the number of heatwave days and rising average temperatures at major construction sites estimated that financial losses could reach approximately KRW 5.8–6.0 billion. This figure represents the average financial impact per site, calculated through scenario analysis to account for potential heatwaves-related losses over both the short and long term. Furthermore, an analysis of workable days at domestic construction sites based on the Wet Bulb Globe Temperature (WBGT) and daily average temperature estimated that the annual loss rate of workdays due to heatwaves could increase to a maximum of 15% by 2025. This analysis is based on data from the Korea Meteorological Administration’s Climate Information Portal. It quantitatively assesses the potential scale of losses that could occur if heatwaves and rising average temperatures caused by Climate Change become recurrent, and the results will be used to establish site-specific risk response strategies and set management priorities in the future.		
Response Strategy (Within 5 Years)	To address the increase in the number of heatwave days and rising average temperatures due to climate change, we utilize the specialized weather software Meteonorm from the bidding stage to preemptively review site-specific climate conditions and incorporate the analysis results into construction scheduling to manage climate risks. During the construction phase, we use real-time weather forecasts for each site to identify the likelihood of a heatwave in advance. We also apply tiered work management standards, such as shortening or adjusting outdoor work hours when a heatwave advisory is issued, and completely suspending outdoor work when a heatwave warning is issued. To protect the health and safety of our employees, we have established heatwaves response guidelines, are conducting relevant training, and are expanding air-conditioning and rest facilities to create a safer and more comfortable work environment. On top of this, we are mitigating the increase in air-conditioning energy consumption caused by rising temperatures by improving energy efficiency in ancillary facilities such as offices, as well as continuously strengthening our capacity to adapt to climate change and manage energy.		

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Strategy

Climate Resilience

Overview of Transition Risk Scenario Analysis

Hyundai E&C applied the scenarios presented by the IEA(International Energy Agency) when analyzing transition risks and opportunities, and this report focuses on a comparative analysis of the high-emission and low-emission scenarios. These scenarios comprehensively reflect country-specific energy policies, climate goals, levels of technological advancement, changes in energy demand, and shifts in the energy mix to outline transition pathways for the global energy system. In particular, the IEA’s World Energy Outlook 2024–2025 presents multiple energy transition scenarios based on policies currently in effect or announced, country-specific reduction targets, and pathways to achieving carbon neutrality by 2050. These scenarios were utilized to analyze the financial impact of transition risks and opportunities based on the magnitude of policies and the level of technological transition.

Analysis Scenarios

Category	Description
IEA STEPS (High-emission scenario)	A scenario assuming that policies currently being implemented worldwide and those announced by individual countries will be implemented
IEA APS (Medium-emission scenario)	A scenario assuming that relevant climate commitments announced by governments and industries worldwide are implemented on schedule
IEA NZE (Low-emission scenario)	A scenario assuming that global temperature rise is stabilized at 1.5°C and net-zero global greenhouse gas emissions are achieved by 2050

Scope of Scenario Analysis

The primary focus of the analysis of transition risks and opportunities was the business structure of Hyundai E&C's headquarters, and depending on the characteristics of the factors, the analysis included the value chain, such as the external environment and market structure.

Analysis of Key Transition Risks and Implications

T1 [Transition Risk][Policy and Legal] Emissions trading system inclusion and strengthened regulations

Time Horizon	Short-term / Medium-term / Long-term	Likelihood	High
Impact Severity	Moderate	Scope of Occurrence	Domestic / Business Model
Potential Financial Impact	Approximately KRW 19.3–61.9 billion (based on IEA STEPS and IEA NZE)		
Implications	In line with the trend toward stricter domestic greenhouse gas regulations, Hyundai E&C has been included in the fourth phase (2026–2030) of the Greenhouse Gas Emission Trading Scheme. Accordingly, we are establishing reduction strategies based on the results of financial impact analyses and strengthening our regulatory compliance capabilities. In particular, as the government has finalized the 2035 Nationally Determined Contribution (NDC) target at a 53–61% reduction compared to 2018 levels, the demand for greenhouse gas reductions across the entire industry and the magnitude of regulation under the Emissions Trading Scheme are expected to continue to increase. During the fourth phase of the Emissions Trading Scheme, a 15% paid allocation rate was applied to sectors other than power generation; consequently, the burden of purchasing emission allowances and the costs of regulatory compliance for allocated entities are likely to increase. Hyundai E&C conducted a financial impact analysis incorporating scenarios for paid allocation ratios and emission permit prices to assess the potential impact of these regulatory changes on business operations and financial performance. The analysis estimated that the cumulative regulatory compliance costs associated with allocated emission allowances through 2035, should the company be included in the fourth phase of the Greenhouse Gas Emission Trading Scheme, could range from approximately KRW 19.3 billion to 61.9 billion. This assessment took into account emissions allowance price scenarios and paid allocation conditions, and represents a quantitative evaluation of the potential cost burden that would arise if the company did not undertake greenhouse gas reduction efforts despite inclusion in the emissions trading system and the expansion of paid allocation. However, by reducing greenhouse gas emissions in accordance with the 2045 Carbon Neutrality Strategy to mitigate the regulatory compliance risks associated with inclusion in the Emissions Trading System, the financial impact that would arise from failing to implement reduction efforts can be mitigated. According to Hyundai E&C’s 2045 Carbon Neutrality Roadmap, if Scope 1–2 emissions are reduced by 46.2% by 2030 compared to the base year, it is projected that benefits will arise from the sale of emission allowances resulting from the reduced emissions. Under the same conditions regarding emission allowance prices and paid allocation, the cumulative benefits from implementing greenhouse gas reductions through 2035 are estimated to range from approximately KRW 5.0 billion to 15.0 billion. Therefore, Hyundai E&C’s greenhouse gas reduction strategy can serve as a key measure to mitigate the financial burden resulting from the strengthening of the emissions trading system and to secure climate resilience against carbon cost risks.		
Response Strategy (Within 5 Years)	To mitigate the impact of these risks, we are reducing our reliance on fossil fuels by expanding the use of renewable energy, such as on-site solar power generation. Additionally, we are continuously implementing strategies to achieve carbon neutrality by 2045, including reducing greenhouse gas emissions through equipment replacement and energy efficiency improvements.		

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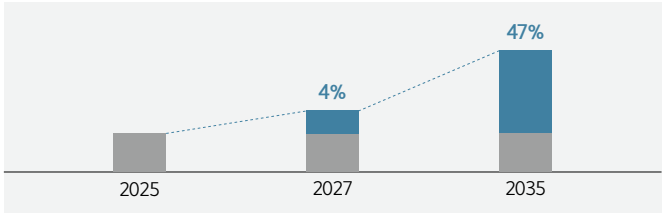
Climate Resilience

Analysis of Key Transition Risks and Implications

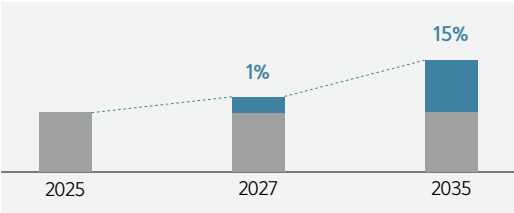
T3 [Transition Risk] [Market] Rising prices of raw materials with high carbon intensity

Time Horizon	Medium-term / Long-term	Likelihood	High
Impact Severity	Moderate	Scope of Occurrence	Global / Business Model
Potential Financial Impact	Ready-mix concrete: 4–47% increase in unit price/m³ Steel rebar: 1–15% increase in price/ton (based on IEA STEPS and IEA NZE)		
Implications	Ready-mix concrete and steel rebar are key materials essential for construction projects, and both are characterized by relatively high greenhouse gas emissions during their manufacturing processes. In particular, as the South Korean government has finalized a reduction target of 53–61% compared to 2018 levels through the revised 2035 National Greenhouse Gas Reduction Target, the burden of reduction across the industry is expected to increase significantly. Consequently, there is a possibility that the magnitude of regulation for the entire system—including emission allowance allocation and pricing mechanisms—will continue to increase even after the fourth phase of the Greenhouse Gas Emission Trading Scheme. In the future, regulatory compliance costs for manufacturers of high-carbon raw materials may increase depending on factors such as the expanding burden of reducing emissions to meet the Nationally Determined Contribution (NDC), fluctuations in emission allowance prices, sector-specific reduction potential, and the level of technology commercialization. We recognize the potential for rising raw material prices as a major transition risk, and in this report, we have estimated the potential impact of this risk on our cost structure based on currently available information. In the case of ready-mix concrete, Cement—a key raw material—emits greenhouse gases during the extraction, production, and transportation processes, creating the possibility that costs associated with stricter emissions trading regulations will be passed on to consumers. Assuming that manufacturing-related costs remain unchanged and that regulatory compliance costs, such as the purchase of emission allowances, are passed on to ready-mix concrete prices, we estimate that the purchase price per cubic meter of ready-mix concrete could rise by approximately 4% to a maximum of 47% between 2027 and 2035. In the case of steel rebar, it is possible that the cost burden resulting from rising emission permit prices and the expansion of paid allocation will be reflected in the product unit price, as large amounts of greenhouse gases are generated during the high-temperature heat treatment process using iron ore and coke. Based on an analysis assuming that manufacturing-related costs remain constant and that regulatory compliance costs are passed on to product prices, the unit price per ton of steel rebar is expected to rise by approximately 1% to a maximum of 15% from 2027 to 2035. Accordingly, we plan to continuously monitor future emission allowance prices, the proportion of paid allocations, raw material supply and demand conditions, and the extent to which suppliers pass on costs, while enhancing our key material procurement strategies and cost management systems to address related transition risks.		
Response Strategy	To mitigate the impact of raw material price fluctuations on construction costs, Hyundai E&C reviews monthly trends and future outlooks in domestic and international raw material markets and incorporates this information into the construction cost estimation process. Additionally, we plan to proactively address risks associated with potential cost increases by continuously monitoring changes in greenhouse gas regulations and trends in major raw material costs.		

▲ Estimated Cost Increases Due to Ready-Mix Concrete Regulations



▲ Estimated cost increase due to rebar regulations



Analysis of Key Opportunity and Implication

O1 [Opportunity][Products and Services] Increased demand for energy transition projects

Time Horizon	Medium-term / Long-term	Likelihood	High
Impact Severity	Moderate	Scope of Occurrence	Global / Business Model
Implications	The global energy market is entering a phase of structural transformation as the transition to carbon neutrality and energy innovation driven by digital technology accelerate. At the same time, as uncertainty in energy value chains grows due to geopolitical risks, the importance of securing a stable energy supply is becoming increasingly prominent. According to IEA projections, global electricity demand is expected to grow by an average of approximately 3.6% annually through 2030, and the energy market is projected to continue expanding accordingly. Furthermore, as the share of low-emission energy sources, such as renewable energy and nuclear power, expands, the transition of the energy mix is expected to gain momentum. Hyundai E&C recognizes these market changes as an opportunity to expand our energy business and aims to play a pivotal role across various sectors, including energy production, storage, transmission, and utilization. To this end, we are focusing on securing core technologies that will enable us to lead the entire energy industry value chain. Furthermore, Hyundai E&C is analyzing power generation capacity and market size for major energy sectors—including large-scale nuclear power plants, SMRs, offshore wind, solar power, pumped-storage hydropower, hydrogen, and ammonia—based on IEA scenarios and the 11th Basic Plan for Electricity Supply and Demand (2024–2038). Furthermore, we are evaluating the level of business opportunities in countries where we have prior project experience or where future projects are likely to be pursued, and incorporating these findings into our market expansion strategies.		

Market Outlook and Response Strategies by Project

① Large-Scale Nuclear Power Plants/SMRs	
Market Outlook	The strategic importance of nuclear power is growing in the current global energy market. In the short term, as electricity demand surges due to the rapid growth of the AI industry, the role of nuclear power as a stable and efficient source of electricity is being reevaluated. In the medium to long term, the nuclear power industry is projected to grow more than fourfold by 2050, and next-generation nuclear power plants are expected to drive market growth after 2040. Additionally, with the increasing number of aging nuclear power plants, a decommissioning market worth approximately KRW 170 trillion is expected to emerge.
Response Strategy	Based on our extensive experience in executing nuclear power projects, Hyundai E&C has completed or is currently undertaking a total of 24 nuclear power plant projects domestically and internationally. We have also demonstrated our competitiveness in the global nuclear power market by securing orders for 8 out of the 23 nuclear power plants commissioned worldwide over the past decade, capturing approximately a 35% market share.
Furthermore, we are expanding our business scope to include large-scale nuclear power plants, next-generation nuclear power plants, SMRs, and nuclear power plant decommissioning in order to enhance capabilities across all areas of the nuclear business and establish a comprehensive nuclear Total Value Chain. In the large-scale nuclear power sector, we are collaborating with Westinghouse in the U.S. to pursue the construction of new nuclear power plants in Europe and the U.S., and is jointly developing MSR and SFR—future-oriented SMR technologies—with the Korea Atomic Energy Research Institute. In the SMR sector, which represents next-generation nuclear power, Hyundai Engineering & Construction is partnering with Holtec International to advance the construction of the first unit and expand global operations, with plans to break ground on the first SMR at the Palisades nuclear power plant site in Michigan, U.S. We are launching our global SMR business in earnest based on our exclusive EPC rights for Holtec’s SMRs. Through this, we aim to expand our business scope to include not only next-generation nuclear power plants but also the nuclear decommissioning sector, with a goal of securing a total of KRW 7 trillion in orders by 2030.	



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Strategy

Climate Resilience

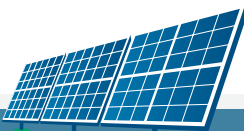
Market Outlook and Response Strategies by Project



② Offshore Wind

Market Outlook As the global energy transition accelerates, the offshore wind and solar power markets are growing rapidly, driven by national policies to expand renewable energy and advancements in related technologies. In Korea as well, with the implementation of carbon neutrality and policies to expand the adoption of renewable energy, offshore wind power is emerging as one of the key power sources in the country's future electricity supply system. In particular, according to the renewable energy generation forecast in the 11th Basic Plan for Electricity Supply and Demand, offshore wind power generation is expected to increase by more than 17 times by 2035.

Response Strategy As the only construction company in Korea with a track record in offshore wind power construction, Hyundai E&C has secured the country's largest fleet dedicated to offshore wind power. Building on this foundation, we have strengthened our construction capabilities and technological competitiveness in the fields of offshore wind power foundations and above-water structures. Leveraging this track record and technical expertise, we are expanding our self-developed projects and establishing a total value chain for the offshore wind power business. Moving forward, we plan to continuously expand our business scope by increasing opportunities for participation and market share in both the domestic and international offshore wind markets, with the goal of securing orders totaling over KRW 12 trillion by 2030.



③ Solar Power

Market Outlook As the global energy transition accelerates, demand for solar power continues to grow. In the short term, the unit cost of solar power installation is rapidly decreasing due to expanded renewable energy investments and technological advancements in major countries, and the share of solar power within the electricity mix is expanding as carbon neutrality initiatives gain momentum at both corporate and national levels. In the medium to long term, according to the IEA's NZE scenario, annual solar power installation is projected to exceed approximately 24,000 GW by 2050, which represents an approximate 11-fold increase compared to 2024 levels. Even under the STEPS scenario, which reflects current policy levels, solar deployment is expected to continuously expand, growing up to approximately six times the 2024 baseline. Moving forward, further demand growth for solar power remains highly possible depending on the strengthening of state policies and the global momentum behind renewable energy expansion. Amid these shifts, solar power is gaining significant attention as a key power source for enhancing energy resilience in terms of low-carbon characteristics, economic viability, and energy supply stability.

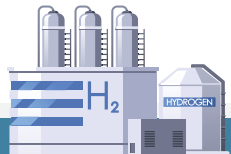
Response Strategy To respond to market changes driven by the global energy transition and the expansion of renewable energy, Hyundai E&C established a public-private partnership with Korea Midland Power and the Korea International Infrastructure and Urban Development Corporation (KIND) to jointly develop solar power projects in the United States. As a result, in July 2025, we secured a contract for a 455 MWac solar power project in central Texas, expanding our business footprint in the U.S. renewable energy market. Through this, we plan to expand business opportunities and strengthen our competitiveness in the global renewable energy market, where solar power accounts for a significant share. Additionally, in the Australian market, which possesses abundant renewable energy resources, we are expanding our business base with a focus on solar development projects and grid expansion initiatives.



④ Pumped-storage Power

Market Outlook The role of pumped-storage hydropower is expanding due to increased grid volatility resulting from the growth of renewable energy. According to the 11th Basic Plan for Electricity Supply and Demand, South Korea's pumped-storage hydropower capacity is expected to grow to 10.4 GW by 2038, which is approximately double the 2023 level. Furthermore, according to IHA projections, global pumped storage capacity in 2025 is approximately 189 GW, a 5% increase from the previous year, and is expected to expand to around 600 GW by 2040. As such, pumped storage is strengthening its role as a key energy storage solution in domestic and international power infrastructure, and the market is expected to continue expanding in the medium to long term.

Response Strategy Hyundai E&C secured the contract for the Pocheon Pumped Storage Power Plant in March 2026. Building on this achievement, we plan to accumulate project execution experience in the pumped storage sector and improve our capabilities to respond to future project bids. Additionally, in March 2026, we signed a strategic Memorandum of Understanding (MOU) with the global construction firm Webuild regarding 'cooperation on large-scale infrastructure and energy projects, including pumped-storage hydropower.' Based on the technical capabilities and execution know-how accumulated in the large-scale pumped-storage hydropower sector, we plan to expand our entry into advanced markets for pumped-storage hydropower projects through synergies with global partners.



⑤ Hydrogen/Ammonia

Market Outlook As interest in sustainable energy transition and eco-friendly technologies grows, demand for hydrogen and ammonia is rapidly increasing as future energy sources for achieving carbon neutrality. The hydrogen industry is divided into three sectors: the production sector, which includes by-product hydrogen and extracted hydrogen derived from fossil fuels, as well as electrolytic hydrogen produced using renewable energy; the storage and transportation sector, which consists of storage methods and transportation systems for large-scale and long-distance transport; and the utilization sector, centered on the power generation and mobility markets. Furthermore, while ammonia has traditionally been used primarily as a raw material for fertilizers, its potential as a means of storing and transporting hydrogen and as an alternative energy source has recently come to the fore.

Response Strategy We are expanding our participation in hydrogen and ammonia projects and focusing on securing core technologies based on our experience in demonstration research and design. In addition, through collaboration with global licensors, we are strengthening our capabilities to carry out FEED and EPC for large-scale hydrogen and ammonia plants. In September 2025, we completed construction of Korea's first commercial water electrolysis-based hydrogen production base in Buan, North Jeolla Province, and we are enhancing our project execution capabilities based on our experience in designing and constructing hydrogen plants. This production base is a facility capable of producing, storing, and supplying hydrogen, and is scheduled to begin commercial operations following a trial run to stabilize operations. Furthermore, the produced hydrogen is scheduled to be supplied to local hydrogen refueling stations and research facilities. At the same time, we plan to contribute to the expansion of the hydrogen ecosystem—encompassing production, transportation, and utilization—being promoted by the Hyundai Motor Group, and we are proactively preparing for next-generation hydrogen production methods, such as hydrogen production using nuclear power.

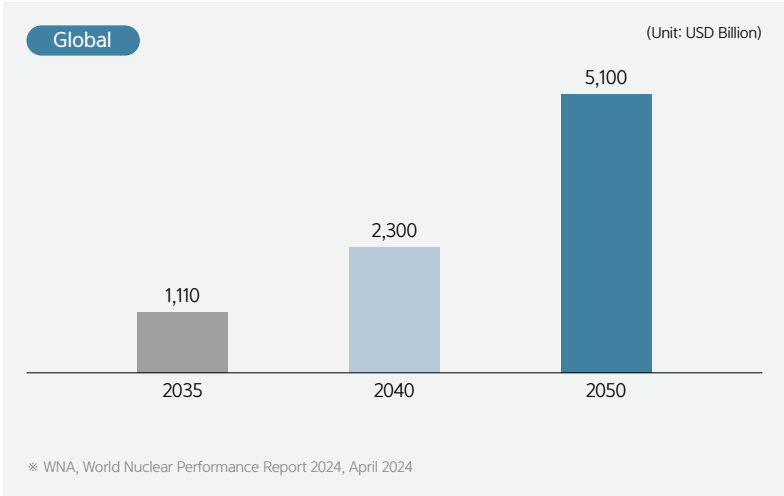
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Strategy

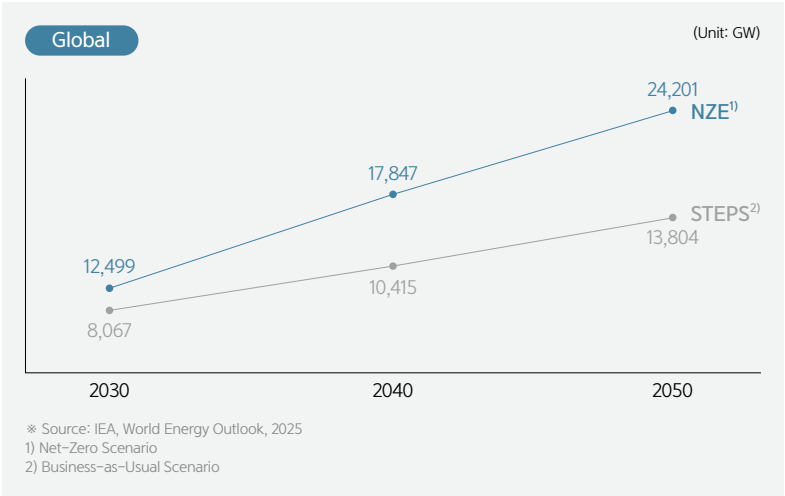
Climate Resilience

Market Outlook and Response Strategies by Project

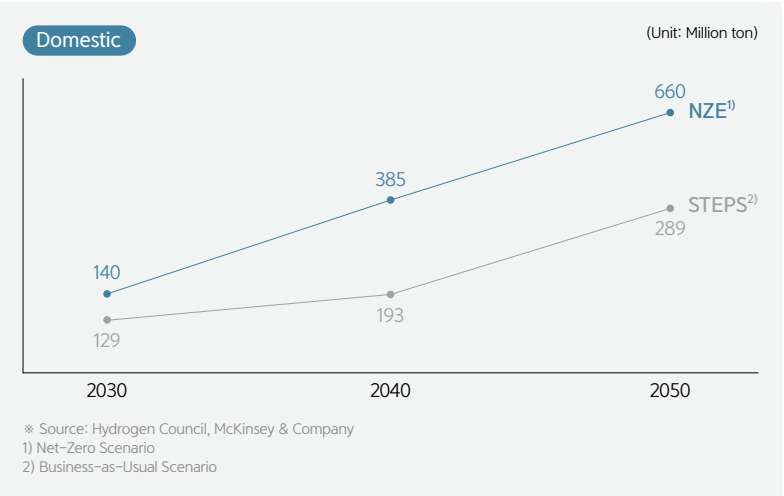
▲ Nuclear Market Outlook (Global)



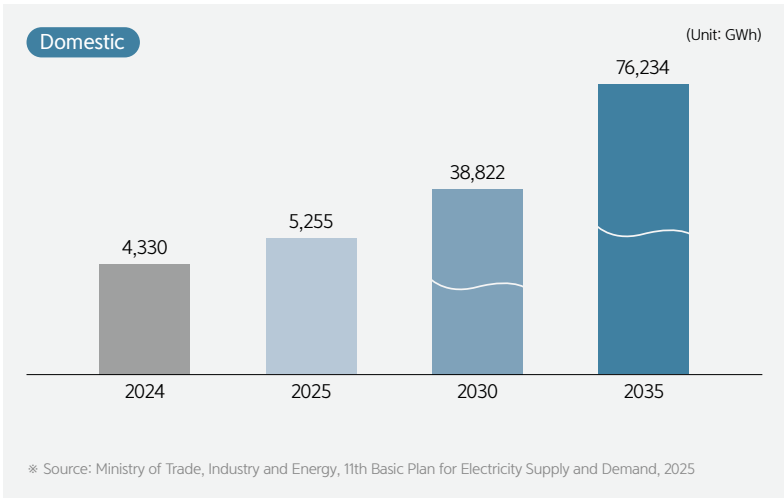
▲ Solar Power Outlook (Global)



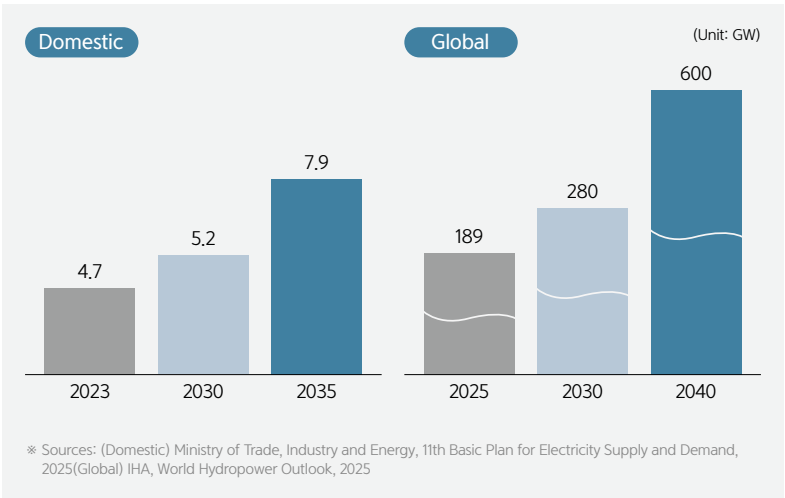
▲ Hydrogen Market Outlook (Domestic)



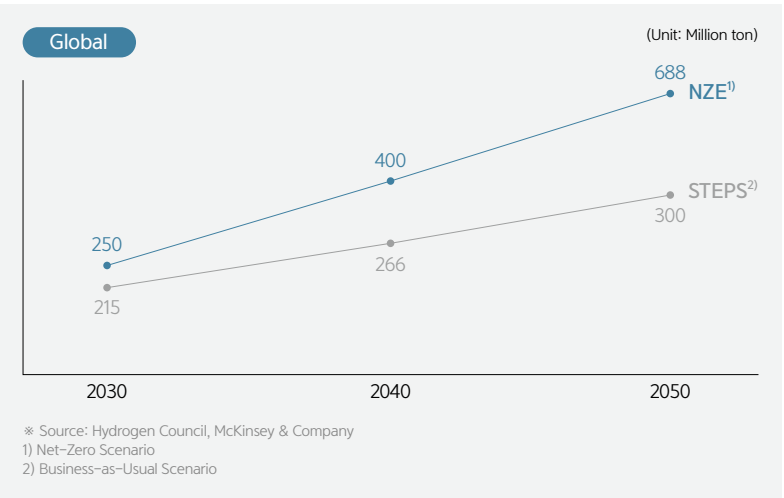
▲ Offshore Wind Market Outlook (Domestic)



▲ Pumped-storage Power Market Outlook (Domestic and Global)



▲ Ammonia Market Outlook (Global)



Climate Change

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Strategy

Climate Resilience

Significant Areas of Uncertainty Considered in the Climate Resilience Assessment

Hyundai E&C recognizes that, due to the inherent uncertainty in climate change projections, the results of physical and transition risk analyses may vary depending on climate factors, scenario conditions, site characteristics, and input variables. In particular, methodologies for quantifying potential financial impacts through scenario analysis are still in the process of being refined, and there may be certain limitations in interpreting the results due to the uncertainty of the assumptions and parameters used in the analysis. Nevertheless, we are focusing on identifying the major impacts that climate change may have on site operations and financial performance, as well as proactively identifying and addressing potential risk factors. Moving forward, we plan to continuously refine our analysis scenarios and quantification methodologies to reflect the rapidly changing climate crisis environment, and to incorporate prediction results based on more precise data into our risk management and decision-making processes.

Category	Source	Details
Annual Average Loss Ratio	Jupiter Intelligence Internal Calculation System	Potential changes in national economic conditions and climate change severity
Carbon Emissions	IEA Scenarios and Hyundai E&C's Carbon Neutrality Roadmap	Potential changes in domestic and international carbon emissions forecasts
Emissions Allowance Prices	IEA Scenarios and Hyundai E&C's Internal Analysis Forecasts	Potential changes in carbon price forecasts

Availability and Flexibility of Existing Financial Resources

To execute its climate change response strategy, Hyundai E&C is driving carbon reduction activities, such as expanding renewable energy adoption and transitioning to zero-emission vehicles, alongside R&D and investment projects in renewable energy. Related investments comprehensively weigh the financial impacts, mitigation efficacy, and operational feasibility of these reduction activities. Furthermore, through formal R&D and investment review committees, the company evaluates strategic alignment and business viability, approving and executing budgets through rigorous internal decision-making procedures. Through this framework, Hyundai E&C has established an investment decision-making system that balances climate-related risks and opportunities, consistently strengthening its climate resilience and response capabilities.

Ability to Relocate, Repurpose, Improve, or Demolish Existing Assets

Due to the construction industry's structure, which centers on temporary job sites, and its low proportion of owned assets, there are certain limitations to addressing climate change through asset relocation, repurposing, or demolition. Accordingly, Hyundai E&C is pursuing greenhouse gas emission reductions primarily through its owned assets by replacing aging equipment and introducing energy-efficiency improvements. We are also continuously expanding facility improvement activities that simultaneously consider operational efficiency and reduction effects.

Impact of Current and Planned Investments on Climate Mitigation, Adaptation, and Opportunities

In September 2025, Hyundai E&C issued green bonds worth approximately KRW 310 billion to fund eco-friendly building projects and the LUCY solar power generation project in Texas, USA. In January 2026, Hyundai E&C issued approximately KRW 330 billion in green bonds—the first among domestic construction firms to apply the Korean Green Taxonomy (K-Taxonomy) standards—to be utilized for eco-friendly building projects. For further details, please refer to the section 'Resource Allocation in Line with Response Strategies and Transition Plans(p.61)' in this report.

Reporting Period During Which Climate-Related Scenario Analysis Was Conducted

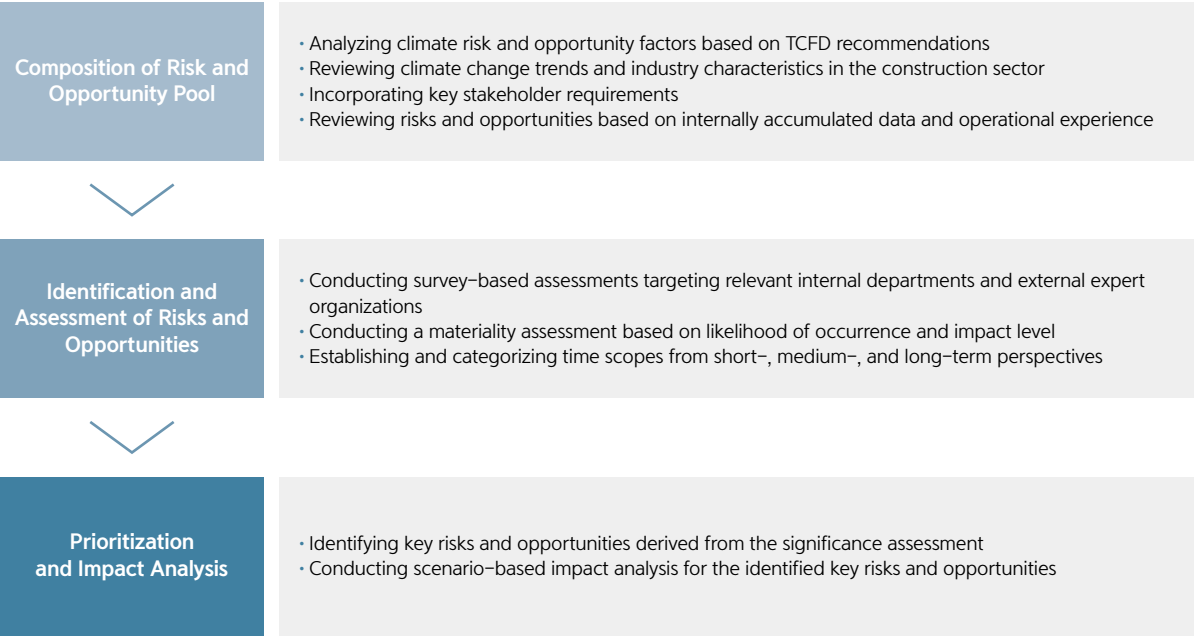
Hyundai E&C conducted climate scenario analysis during the reporting period.

Risk Management

Climate-Related Risk and Opportunity Management Process Policy

Hyundai E&C conducts an annual climate materiality assessment to identify climate-related risks and opportunities that could have a significant impact on the company. We prioritize the management of climate risks by conducting impact analysis processes, such as scenario analysis, for key risk factors. In 2025, in accordance with our climate-related risk and opportunity management process, we classified climate-related risks and opportunities based on the TCFD recommendations and established an issue pool. In this process, we incorporated requirements from key stakeholders—including clients, financial institutions, and NGOs—along with literature such as research reports on the construction industry. Based on this, we identified a total of 11 climate-related risk and opportunity factors from a perspective encompassing the entire value chain, including upstream and downstream operations, as well as domestic and international business sites. For the identified risk and opportunity factors, we conducted surveys targeting internal stakeholders and external expert organizations to comprehensively assess their likelihood of occurrence and the level of financial and business impact. We also reviewed the business impact by applying time horizons categorized into the short, medium, and long term. Based on the evaluation results, we selected key climate-related risk and opportunity factors deemed to have a significant impact on Hyundai E&C, and conducted detailed analyses of their financial and strategic impacts through scenario analysis and other methods. For other issues, we also reviewed the business and strategic impacts based on the results of quantitative and qualitative analyses.

▲ Climate Risk and Opportunity Management Process



Climate Change

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Risk Management

Climate-Related Risk and Opportunity Management Process Policy

▲ Input Variables and Parameters for Scenario Analysis

Input Variables and Parameters	Scope of Operations	Data sources
Policy Changes	Hyundai E&C	Major global countries (e.g., the European Union) and domestic Ministry of Environment policies, etc.
Industry Trends and Market Outlook		Data from external research institutions and industry trend analysis, etc.
Climate Change Trends		Korea Meteorological Administration and IPCC climate change reports, etc.
Types of Physical Assets		Jupiter Intelligence Asset Types
Location of Physical Assets		Latitude and longitude of headquarters and construction sites
Value of Physical Assets		Tangible assets, inventory, revenue, and contract value as of the end of 2025, as reported in the financial statements
Greenhouse Gas Emission Factors		Guidelines on Emission Reporting and Verification under the Ministry of Environment's Greenhouse Gas Emission Trading Scheme, IEA, etc.
Greenhouse Gas Emissions		Statement prepared in accordance with the Ministry of Environment's Guidelines on Emission Reporting and Verification under the Greenhouse Gas Emission Trading Scheme
Exchange rate		Woori Bank's average exchange rates by period
Emissions Allowance Price		Ministry of Environment, IEA, etc.

Climate Risk Monitoring and Management

Hyundai E&C operates a climate risk management process to proactively identify and assess climate-related risks and opportunities, and to incorporate their impacts into the business decision-making framework. In doing so, the climate risk management process is divided into business unit and project levels, taking into account the characteristics of the construction industry. At the business unit level, we annually identify and assess climate-related risks and opportunities that could have a significant impact on the company. The results of quantitative assessments of key risks and opportunities are reported to management through the Sustainability Steering Committee and incorporated into the formulation of company-wide management strategies. At the project level, we apply a risk management system divided into pre-contract and post-contract phases, taking into account the characteristics of the construction industry. In the pre-contract phase, the Process Risk Management (RM) team identifies potential risks, such as schedule delays due to regional, seasonal, and climatic characteristics of the project, and conducts a Pre-Contract Review Committee (PRC) meeting to assess the financial impact. In the post-contract phase, the Environmental Management Team identifies climate-related risks that may arise during project execution and monitors key indicators, such as greenhouse gas reduction performance, through the integrated risk management system. Climate-related risk factors identified and managed at the project level are linked and integrated with the company-wide climate-related risk and opportunity management system through the Sustainability Steering Committee.

Changes to the Risk Management and Process Compared to the Previous Period

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

Metrics and Targets

Metrics

Total Greenhouse Gas Emissions						(Unit: tCO ₂ -eq)
Category	2022	2023	2024	2025	Base Year (2019 ¹⁾ /2020 ²⁾	
Direct greenhouse gas emissions (Scope 1)	309,762	270,467	137,450	112,013	417,904	
Indirect greenhouse gas emissions (Scope 2, region-based)	75,074	92,907	113,234	116,813	178,236	
Indirect greenhouse gas emissions (Scope 2, market-based)	75,074	92,907	113,234	116,487 ³⁾	178,236	
Direct and indirect greenhouse gas emissions ⁴⁾ (Scope 1 + Region-based Scope 2)	384,836	363,374	250,681	228,824	596,140	
Direct and indirect greenhouse gas emissions ⁴⁾ (Scope 1 + Market-based Scope 2)	384,836	363,374	250,681	228,498	596,140	
Other indirect greenhouse gas emissions (Scope 3) ⁵⁾	6,658,746	5,765,722	5,198,461	5,984,916	9,484,466	
Total greenhouse gas emissions ⁵⁾ (Scope 1 + Region-based Scope 2 + Scope 3)	7,043,582	6,129,096	5,449,142	6,213,740	10,080,606	
Total greenhouse gas emissions ⁵⁾ (Scope 1 + Market-based Scope 2 + Scope 3)	7,043,582	6,129,096	5,449,142	6,213,414	10,080,606	

1) Scope 1 & 2 Base Year
2) Scope 3 Base Year
3) Reflected the 2025 purchase performance of Vietnam Energy Attribute Certificate (VOLT) (500 MWh)
4) Since domestic greenhouse gas emissions are aggregated by truncating figures below the decimal point for each business site, a discrepancy may exist between the total greenhouse gas emissions and the sum of emissions by type.
5) Modified the emissions calculation methodology for 'Cat 4, Upstream Transportation and Logistics', 'Cat 5, Waste Generated in Operations', and 'Cat 7, Employee Commuting' during the 2023 Scope 3 inventory calculation; modified the emissions calculation methodology for 'Cat 12, End-of-Life Treatment of Sold Products' during the 2025 Scope 3 inventory calculation.

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Metrics and Targets

Metrics

Energy Consumption

(Unit: Renewable Energy Consumption Ratio (%), For Others(MWh))

Category		2022	2023	2024	2025	Base Year (2019)
Total Energy Consumption (A+B)		1,368,284	1,187,243	778,357	690,148	1,959,569
Non-renewable energy	Total non-renewable energy consumption (A)	1,368,223	1,187,177	778,234	689,521	1,959,569
	Subtotal	305	-	-	-	5,749
	Coal (anthracite, lignite, etc.)	Domestic	305	-	-	5,749
		Overseas	-	-	-	-
	Crude Oil (Gasoline/Diesel/Kerosene)	Subtotal	1,195,787	982,695	528,368	1,646,505
		Domestic	77,533	66,045	59,181	45,578
		Overseas	1,118,253	916,650	469,188	1,600,927
	Gas (LNG/LPG)	Subtotal	12,936	7,586	8,762	15,004
		Domestic	12,936	7,586	8,762	15,004
		Overseas	-	-	-	-
	Power	Subtotal	151,868	189,386	235,594	281,196
		Domestic	123,606	148,912	150,119	121,877
		Nuclear-based ¹⁾	-	-	-	101,833
	Fossil fuel-based ¹⁾	-	-	-	56,130	-
		Overseas	28,262	40,474	85,475	159,319
	Other (heat/steam, etc.)	Subtotal	7,327	7,511	5,510	11,115
		Domestic	7,327	7,511	5,510	11,115
		Overseas	-	-	-	-
Renewable Energy	Total Renewable Energy Consumption(B)	Subtotal	61	66	123	627
		Solar power generation ²⁾	61	66	123	127
		Purchase Certificates ³⁾	-	-	500	-
	Renewable Energy Consumption Ratio		0.004	0.006	0.016	0.091
			-	-	-	-

※ Individual figures are rounded to the nearest whole number; consequently, the sum of these individual figures may slightly differ from the total value.

1) From 2025 onward, domestic electricity consumption is stated separately for fossil-fuel-based and nuclear-based power.

2) All electricity generated from solar power is consumed entirely on-site (self-consumption).

3) Reflected the 2025 purchase performance of Vietnam Energy Attribute Certificate (VOLT) (500 MWh).

Greenhouse Gas Emissions Measurement Method

To transparently disclose the measurement results and trends of carbon emissions under our direct control, Hyundai E&C has applied the Operational Control Approach, which fully reflects emissions from facilities within our affiliates over which we hold operational control. Additionally, we identified activities that significantly impact carbon emissions and calculated emissions based on these, utilizing widely accepted and credible public data. The standards and guidelines applied in calculating greenhouse gas emissions are as follows.

▲ Approach to Measuring Greenhouse Gas Emissions

Category	Standards and Guidelines
Direct/Indirect Greenhouse Gas Emissions(Scope 1 & 2)	ISO 14064-1 (2018)
	IPCC National Inventory Guidelines (2006)
	Guidelines on Emission Reporting and Verification under the Greenhouse Gas Emission Trading System (Ministry of Environment Notice No. 2023-221)
Other Indirect Greenhouse Gas Emissions(Scope 3)	ISO 14064-1 (2018)
	Corporate Value Chain (Scope 3) Accounting and Reporting Standard

▲ Input Variables and Assumptions

Category		Input variables
Direct greenhouse gas emissions (Scope 1)	Stationary Combustion	Activity data: City gas (LNG), LPG, gasoline, diesel, and kerosene consumption
		Heat content: Country-specific heat content by fuel type
		Emission factors: Default emission factors from the 2006 IPCC National Inventory Guidelines
	Mobile Combustion	Activity data: Gasoline, Diesel, and LPG consumption
		Heat content: Country-specific heat content by fuel type
		Emission factors: Default emission factors from the 2006 IPCC National Inventory Guidelines
Indirect greenhouse gas emissions (Scope 2)	External electricity	Activity data: Electricity consumption, etc.
		Emission factor: Default emission factors from the 2006 IPCC National Inventory Guidelines
	External heat (steam)	Activity data: Heat (steam) consumption Emission factor: Emission factor developed by the external heat (steam) supplier

Changes to measurement approaches, input variables, and assumptions during the reporting period

There were no changes to the measurement approach, input variables, or assumptions during the reporting period.

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Metrics and Targets

Metrics

Internal Carbon Price

Hyundai E&C utilizes an internal carbon pricing system across all business operations to respond to stricter greenhouse gas emission regulations and the global trend toward carbon neutrality. This goes beyond simple cost allocation and serves as a reference point for low-carbon transition strategies and eco-friendly investment decisions. The internal carbon price is calculated based on international organizations and domestic policy scenarios. We set and operate the internal carbon price annually by comprehensively considering domestic emissions trading prices and scenarios from domestic and international expert institutions. In 2025, it was set at approximately KRW 21,000 per ton and applies to both Scope 1 and Scope 2 emissions. Additionally, internally, we have introduced the concept of a “shadow price,” which incorporates anticipated policy and market-based carbon costs in advance, enabling us to proactively account for the financial impact of future regulatory tightening or rising emissions permit prices. Furthermore, we quantify the reduction effects of investments in carbon-reduction facilities and energy efficiency improvement activities to reflect them as economic benefits in feasibility analyses. This approach helps us move beyond short-term cost burdens to strengthen our foundation for mitigating long-term climate risks and identifying new business opportunities, while continuously monitoring relevant regulations and market trends.

Assets and Business Activities Vulnerable to Risk

▲ Physical Risks

Hyundai E&C carries out construction projects in various regions both domestically and internationally. Due to the nature of the construction industry, new sites are started and completed sites are closed each year. Consequently, assets and business activities that may be exposed to climate-related physical risks can vary depending on the operational sites at a given point in time, the stage of construction, site location, and contract structure, making it difficult to identify them uniformly by fixed asset units. However, Hyundai E&C reviewed the exposure to physical risks and the risk levels by disaster type for major domestic and international construction sites in operation during the reporting period, and identified sites and business activities that may be relatively vulnerable to physical risks. The scope of the analysis includes the major construction sites, and the physical risk vulnerabilities and implications for each site are presented in the section ‘Analysis of Key Physical Risks and Implications(p.67-69)’ in this report.

▲ Transition Risks

Hyundai E&C manages assets and business activities vulnerable to climate-related transition risks and classifies hydrocarbon-related projects as business activities vulnerable to transition risks. As of the end of 2025, there were a total of 14 hydrocarbon-related projects (1 domestic, 13 overseas), with a total order backlog of KRW 4.6512 trillion, accounting for approximately 7% of the total order backlog.

Capital Allocation to Address Risks and Opportunities

In terms of capital allocation to address climate-related risks and opportunities, Hyundai E&C is continuously pursuing investments related to the low-carbon transition, energy efficiency improvements, and the expansion of future eco-friendly businesses. In terms of capital expenditures (CapEx), this can be interpreted as capital allocation to secure business capabilities in New Energy and decarbonization sectors—such as renewable energy, hydrogen, biogas, and CCUS—and to respond to climate-related opportunities.

In terms of operating expenses (OpEx), we manage the allocation of climate-related resources, focusing on eco-friendly R&D costs for sustainable products classified according to taxonomy standards. These costs are invested in R&D activities aimed at developing and advancing sustainable products, securing low-carbon and eco-friendly construction technologies, reducing greenhouse gas emissions, and expanding climate-related business opportunities, and thus constitute operating expenditures dedicated to addressing climate-related opportunities. Furthermore, the calculation includes operating costs as defined by the EU Disclosure Regulation, such as short-term lease fees and maintenance and repair costs for construction sites classified as sustainable products.

However, Hyundai E&C’s current climate-related capital expenditures and operating costs are not managed as items specifically categorized to directly address climate-related risks or opportunities. Instead, they overlap to some extent with general investment and expense items aimed at ensuring the stable execution of construction projects, on-site safety management, energy efficiency, technology development, and securing future business capabilities. This is because, given the nature of the construction industry, climate response activities are carried out in conjunction with process management, safety management, facility maintenance, technology development, and business portfolio transition activities at individual construction sites. Accordingly, we plan to gradually refine the criteria for identifying capital expenditures and operating costs related to climate risks and opportunities, in line with the application level of climate-related disclosure standards such as KSSB No. 2 and the enhancement of our internal management system. Through this, we plan to continuously improve our internal classification system and calculation standards to more systematically manage and disclose the allocation of financial resources related to low-carbon transition, physical risk response, strengthening climate resilience, and expanding eco-friendly business opportunities.

(Unit: Amount (KRW million), Ratio (%))

Sustainable Products and Services	Amount	Ratio
Capital Expenditures (CapEx)	44,735	33
Operating Expenditures (OpEx)	30,336	16

Funding and Investment Amounts

For information on capital allocation related to risks and opportunities, please refer to the section ‘Resource Allocation in Line with Response Strategies and Transition Plans (p.61)’ in this report.

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Metrics and Targets

Metrics

Assets and Business Activities Aligned with Opportunities

Under the vision of “Global Green One Pioneer,” we are expanding our eco-friendly business portfolio. Based on the eligibility criteria of the EU Taxonomy (Regulation (EU) 2020/852), we systematically identify our sustainable economic activities and, based on this, quantify sales of sustainable products, capital expenditures (CapEx), and operating expenses (OpEx). In this process, activities under ‘7.1 Construction of new buildings’ and ‘7.2 Renovation of existing buildings(Repair and Maintenance)’ were ultimately reflected only for projects that have obtained Green Building Certification or LEED certification. Capital expenditures (CapEx) were calculated based on major investment items, such as the acquisition costs of tangible and intangible assets for projects corresponding to sustainable economic activities, while operating expenses (OpEx) were calculated based on costs incurred during the operational phase, such as R&D expenses, short-term lease fees, and maintenance and repair costs directly related to these activities.

▲ 2025 Sustainability Products and Services						
(Unit: KRW million, on a Separate basis)						
Category	Economic Activity	Code	Category	Revenue	CapEx	OpEx
Manufacturing	Manufacture of cement	CCM 3.7	Transitional	–	–	15
	Manufacture of hydrogen	CCM 3.10	–	–	–	629
Energy	Electricity generation from wind power	CCM 4.3	–	10,380	–	54
	Electricity generation from hydropower	CCM 4.5	–	9,381	–	67
	Transmission and distribution of electricity	CCM 4.9	Enabling	447,475	9,474	10,092
	Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle	CCM 4.26	Transitional	–	–	280
	Construction and safe operation of new nuclear power plants, for the generation of electricity and/or heat, including for hydrogen production, using best-available technologies	CCM 4.27	Transitional	311,129	1,217	3,291
	Electricity generation from nuclear energy in existing installations	CCM 4.28	Transitional	9,758	740	9
	Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	–	3,322	68	73
Water/Waste	Construction, extension and operation of waste water collection and treatment	CCM 5.3	–	19,320	–	22
	Anaerobic digestion of bio-waste	CCM 5.7	–	7,888	–	161
	Landfill gas capture and utilisation	CCM 5.10	–	–	–	91
	Underground permanent geological storage of CO2	CCM 5.12	–	–	–	338
	Production of alternative water resources for purposes other than human consumption	CE 2.2	–	884	–	154
	Remediation of contaminated sites and areas	PPC 2.4	–	–	–	0.002
	Sustainable urban drainage systems (SUDS)	WTR 2.3	–	–	–	34
Transportation	Infrastructure for rail transport	CCM 6.14	Enabling	1,043,813	91	471
	Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	Enabling	–	–	48
Building	Construction of new buildings ¹⁾	CCM 7.1	–	8,027,319	33,127	12,354
	Renovation of existing buildings(Repair and Maintenance)	CCM 7.2	Transitional	117,340	17	2,153
Total				10,008,009	44,735	30,336
Sustainability Products and Services Ratio				60.6%	33.4%	15.7%

※ Individual figures are rounded to the nearest whole number; consequently, the sum of these individual figures may slightly differ from the total value
※ Applied the EU Taxonomy Eligible Economic Activities list criteria
1) Calculated based on projects that are eligible under the EU Taxonomy Economic Activities list criteria and have also obtained Green Building Certification or LEED certification

▲ Revenue from Energy-efficient Buildings					
(Unit: Revenue (KRW million), Revenue Share (%))					
Category		2022	2023	2024	2025
Energy-efficient Buildings ¹⁾	Revenue (A)	2,524,487	4,314,332	3,665,554	1,453,766
	Revenue Ratio	32	40	32	16
Revenue from other sustainability products and services (B) ²⁾		3,908,182	5,449,698	6,458,065	8,554,243
Total revenue from sustainability products and services (A+B)		6,432,669	9,764,030	10,123,619	10,008,009
Ratio of sales from sustainability products and services		54	62	61	61
※ Revenue is calculated on a separate basis 1) Energy efficiency rating of Grade 1 or higher 2) Sustainable products and services other than Grade 1 energy-efficient buildings					
▲ Revenue from Green Building Certified and LEED Certified Buildings					
(Unit: Revenue (KRW million), For others (%))					
Category		2022	2023	2024	2025
Percentage of Certified Buildings		62	64	62	73
Revenue from Certified Buildings		5,378,721	8,298,865	8,772,374	8,144,659
Certified Building Revenue Ratio		69	77	76	87
※ Revenue calculated on a separate basis					

Climate Change

ESRS-E1KSSB NO.2

Metrics and Targets

Targets

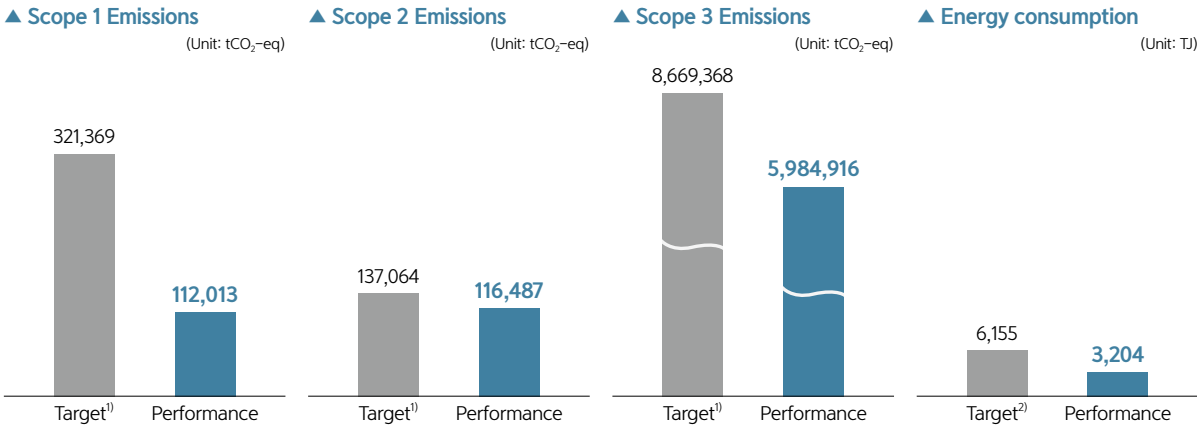
Types of Greenhouse Gases Included in the Target

Hyundai E&C has established a 2045 reduction target for Scope 1, 2, and 3 greenhouse gas emissions, which include CO₂, CH₄, and N₂O. We do not currently employ a sector-specific decarbonization approach.

Scope	Types of Greenhouse Gases					
	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆
Scope 1	○	○	○	×	×	×
Scope 2	○	○	○	×	×	×
Scope 3	○	○	○	×	×	×

2025 Targets and Performance

Hyundai E&C’s current targets and performance regarding Scope 1, 2, and 3 greenhouse gas emissions and energy consumption are as follows. For details on the mid-to-long-term climate change response target, ‘Carbon Neutrality by 2045’, please refer to the ‘Transition and Implementation Plan(p.60)’ in this report.



※ Goal: 2045 Carbon Neutrality SBTi-aligned Target Emissions
1) 2045 Carbon Neutrality SBTi-aligned emissions target
2) Calculation of energy consumption targets based on the previous three fiscal years



Naver Sejong Data Center

Environmental

Environmental Management

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Governance

While the construction industry plays a pivotal role in building social infrastructure, its operations also generate environmental impacts such as waste, air pollution, and noise. Hyundai E&C accurately predicts environmental risks from the early stages of a project and has established pollution reduction systems throughout the entire value chain. Furthermore, the company has established and implemented its own environmental standards that exceed global benchmarks to respond to changes in domestic and international regulations.

Hyundai E&C’s Environmental Management Team is responsible for environmental management at construction sites and works in collaboration with the Sustainability Team to systematically manage the formulation and implementation of environmental policies. At individual construction sites, environmental issues are identified and addressed in advance, and training is conducted to strengthen the environmental management capabilities of relevant personnel. Furthermore, the implementation of the carbon neutrality roadmap is led by the Sustainability Team, and key ESG initiatives and their implementation status are managed through the Sustainability Steering Committee. Relevant performance results are regularly reported to the Sustainability Management Committee and the Board of Directors, maintaining a company-wide management system.

▲ Environmental Management R&R and Governance Organization



Strategy

In response to stricter environmental regulations and the growing importance of eco-friendly management, Hyundai E&C has established “Global Green One Pioneer” as its Environmental Management vision as the company works to transform into a global eco-friendly company. To this end, the company has formulated and is implementing a four-phase eco-friendly management strategy aimed at achieving its goals by 2050, while promoting systematic initiatives across all business operations. Furthermore, the company complies with domestic and international environmental regulations while incorporating eco-friendly values into all aspects of its business activities. Over the past five years, Hyundai E&C has maintained a stable management system with no instances of fines exceeding \$10,000 due to environmental violations, and proactively identifies and manages major environmental impacts—such as fugitive dust and waste—throughout the entire construction process. Furthermore, the company has distributed an “Environmental Operations Guide Map” reflecting the latest environmental regulations and amendments throughout the company to enhance management standards at each site. The company also applies its environmental management policies to all major business partners—including those in distribution, logistics, due diligence, and M&A—and is continuously improving these practices.

▲ Environmental Management Strategy Process



Environmental Management ESRS-E2 | E3 | E4 | E5

Risk Management

Environmental Management System

Environmental Management Policy

Hyundai E&C has established and operates an Environmental Management Policy based on eco-friendly management to minimize potential negative environmental impacts across all business activities and the value chain and to promote continuous improvement in environmental performance. The formulation and revision of major ESG policies, including the Environmental Management Policy, are managed through deliberation by the Sustainability Management Committee under the Board of Directors, with the participation of the chief decision-maker or key decision-makers. The scope of application of this policy covers Hyundai E&C and all affiliated production activities and business facilities, and compliance is also recommended for the entire value chain, including suppliers, partners, and contractual partners, as well as other business partners. The policy covers matters related to the overall environmental management framework, including training aimed at reducing the impact on raw materials, energy, water, greenhouse gases, environmental pollutants, and local communities. Furthermore, Hyundai E&C develops and continuously implements this policy based on consultations with external stakeholders within the scope of the Environmental Management Policy.

Environmental Management Policy

Environmental Management Guidelines	
1	It shall recognize the environment as key to corporate success, create corporate values through proactive eco-friendly management, and fulfill its corporate social responsibility.
2	It shall set out implementable targets to respond to climate change and evaluate their implementation performance.
3	It shall make efforts to use resources and energy sustainably and reduce pollutants throughout the life cycle of the development, production, sale, usage and discarding.
4	It shall actively support suppliers' environmental management activities and establish and implement criteria necessary for an eco-friendly supply chain policy.
5	It shall comply with domestic and international environmental laws and conventions and establish and implement necessary policies to promote environmental management.
6	It shall protect bio-diversity and implement activities to preserve the natural environment and to minimize the deforestation.
7	It shall disclose its environmental management performance to corporate members and stakeholders per reasonable and objective criteria.

Integrated Environmental Performance Management System (HPMS)

Hyundai E&C is establishing a systematic environmental performance management system that integrates digital technology to realize sustainable construction. The company has developed HPMS ‘(Hyundai-Project Management System),’ an IT-based integrated environmental performance management system, to categorize environmental performance across all sites by key environmental factors—such as air, water quality, soil (waste), and noise/vibration—and manage them efficiently. This system is designed to systematically analyze and manage energy usage, consumption, and efficiency based on data, enabling the evaluation of energy consumption reduction performance. Furthermore, through integration with ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System), the company operates a comprehensive framework for planning, implementing, monitoring, and improving all aspects of environmental management—including energy consumption and greenhouse gas emissions—and conducts quarterly internal audits across the entire company.

▲ ISO 14001 (Environmental Management System), ISO 50001 (Energy Management System)

Certification Standards	ISO 14001	ISO 50001
Certification Body	LRQA	LRQA
Scope of Certification	All business operations and support departments	All business operations and support departments
Validity Period	November 18, 2026	November 18, 2026



(Left) ISO 14001
(Right) ISO 50001

Strengthening Environmental Inspections

Hyundai E&C is carrying out various activities, such as regular inspections and the operation of a site environmental assessment system, to proactively address environmental risks and improve the level of environmental management at construction sites. In particular, to strengthen the assessment system, the company expanded the frequency of site environmental assessments from once a year to twice a year (first half and second half) starting in 2024, and has been operating under this system ever since. In 2025, the company conducted evaluations at a total of 88 sites and provided support for 21 newly established sites, expanding environmental evaluation inspections and support compared to the previous year.

▲ Detailed Items for the 2025 On-Site Environmental Assessment

(Unit: cases)

Category	Number of Site Assessments
Air	49
Waste	43
Water Quality	24
Noise	19
Other	10
Management Systems	34

Environmental Management ESRS-E2 | E3 | E4 | E5

Risk Management

Environmental Management System

Environmental Training

Hyundai E&C conducts regular environmental training for environmental managers at headquarters and project sites to enhance their capacity for environmental management, and operates a training system that includes members of the own employees and suppliers. With the aim of strengthening the environmental accident response capabilities and environmental awareness of employees and suppliers, the company conducts environmental training and site-specific emergency drills at least once every six months, and the results are recorded and managed through the HPMS system. Furthermore, the implementation and participation rates of environmental training and emergency drills are monitored through site environmental assessments, and continuous improvements are pursued to enhance the effectiveness of the training. In 2025, a total of 328 on-site environmental management training sessions were conducted for employees and supplier workers across 86 sites. This ensures that participants are familiar with the necessary procedures in the event of various environmental incidents and systematically strengthens their practical response capabilities.

▲ Status of Environmental Training in 2025

Category	Training Title	Training Content	Target Audience	Training Period
New	New Employee Orientation	Basic Environmental Management Standards, Major Environmental Risks (Air, Noise, Waste, etc.), On-Site Compliance Requirements	Employees / Suppliers	As needed
	Comprehensive Environmental Training	Environmental regulations, Environmental risk management, ESG environmental issues, Best practices and non-compliance cases in environmental management	Employees / Suppliers	Quarterly
Periodic	Energy and Climate Change Training	Carbon Emissions Management, Energy Conservation, Climate Change, Greenhouse Gas Management	Employees / Suppliers	Quarterly
	Air Quality Management Training	Particulate Matter, Air Pollution Management Standards, Mitigation Measures, and On-Site Application Cases	Employees / Suppliers	As needed
	Noise and Vibration Management Training	Noise and Vibration Regulations, Process-Specific Management Standards, Handling of Public Complaints, and Mitigation Measures	Employees / Suppliers	As needed
	Waste Management Training	Standards for the separation, storage, and disposal of construction waste relevant regulations and management case studies	Employees / Suppliers	As needed

Enhancing Awareness of On-Site Environmental Management and Expanding Investment

Hyundai E&C is implementing various initiatives to raise the awareness of employees regarding environmental protection on construction sites and systematically improve environmental management standards. In 2025, the company conducted a total of 33 sessions to disseminate information on “Environmental Regulations and Issues” to construction sites. These sessions featured a variety of content—ranging from updates on environmental law revisions to examples of violations, results of external inspections, and media reports—to support the improvement of environmental awareness on-site. Furthermore, in 2023, the company established new guidelines for budgeting environmental management expenses to ensure that necessary environmental facilities at the sites are properly implemented and managed; these guidelines remain in effect to this day.

Incentives for Employees Related to Environmental Management

Hyundai E&C provides awards to employees who have achieved outstanding results in addressing climate change and shares selected best practices with all employees to raise awareness of climate change response across the organization. Furthermore, to strengthen employees’ expertise in climate change and eco-friendly practices, the company continuously operates various incentive programs and provides financial support for obtaining certifications such as LEED-AP. Furthermore, environmental management metrics account for 4% of the KPIs for business unit managers(excluding those in quality and safety roles), with incentives or penalties awarded based on performance. Through evaluations of outstanding construction sites upon completion, performance bonuses of up to 50% of the average base salary (varying by job grade) are awarded based on the achievement of climate-related indicators, such as the attainment of greenhouse gas and energy reduction targets from groundbreaking to completion and the operation of green environmental systems.

Bonus Points for Sites with Excellent Environmental Performance

Hyundai E&C operates a KPI bonus point system for sites and individuals demonstrating excellence in environmental management using HPMS. In 2025, the company selected five domestic sites for excellence in environmental system evaluation and eight individuals for outstanding personal performance—such as issuing non-compliance reports—and awarded them KPI bonus points. Furthermore, the company plans to continuously expand the scope of these awards to enhance the environmental system performance across all sites, proactively prevent violations of environmental regulations, and strengthen a culture of voluntary site management.

Employees Voluntary Environmental Participation Activities

To increase participation by employees in eco-friendly activities, Hyundai E&C operates the “CSR Mileage Program,” which expands the scope of the existing social contribution mileage system to include the environmental sector (Green Mileage). Green Mileage encourages employees to reduce household energy consumption and cut greenhouse gas emissions by enrolling in the Carbon Point System and Eco-Mileage programs. By supporting carbon reduction activities in daily life, the program is spreading a culture of voluntary eco-friendly practices among the employees.

CASE

“Green In4sight”: Short-form Training Content Tailored to the Field

Hyundai E&C is producing and distributing “Green In4sight”, a series of short-form video content designed to enhance on-site environmental management awareness in 2025 by emphasizing practical applicability. The content focuses on four major environmental issues frequently encountered at construction sites—waste, fugitive dust, water quality, and noise/vibration—and aims to enhance educational effectiveness through videos of approximately three minutes in length based on real-world site cases. In particular, moving away from theory-based training, the content is designed to allow site personnel to intuitively understand and apply the material to their work by presenting best practices, non-compliant examples, key precautions, and relevant regulations in a comparative format. Through this, the initiative aims to enable workers to proactively recognize environmental risks in various work situations and strengthen their response capabilities. Additionally, since the content can be accessed anytime and anywhere, it overcomes the limitations of traditional in-person training and is operated to facilitate repeated learning based on diverse case studies. Moving forward, the company plans to continuously enhance the environmental education system by developing additional content that reflects on-site characteristics and expanding the case study database.

▲ Green In4sight Login Screen



Environmental Management

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Risk Management

Environmental Management System

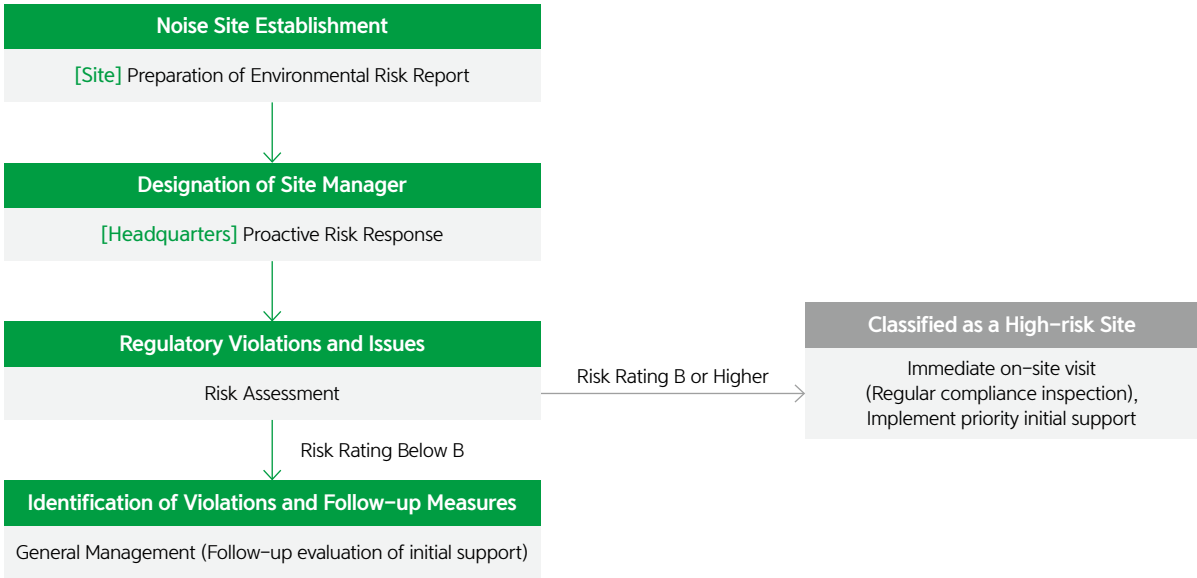
Environmental Risk Management

Establishment of a Site-Specific Management System

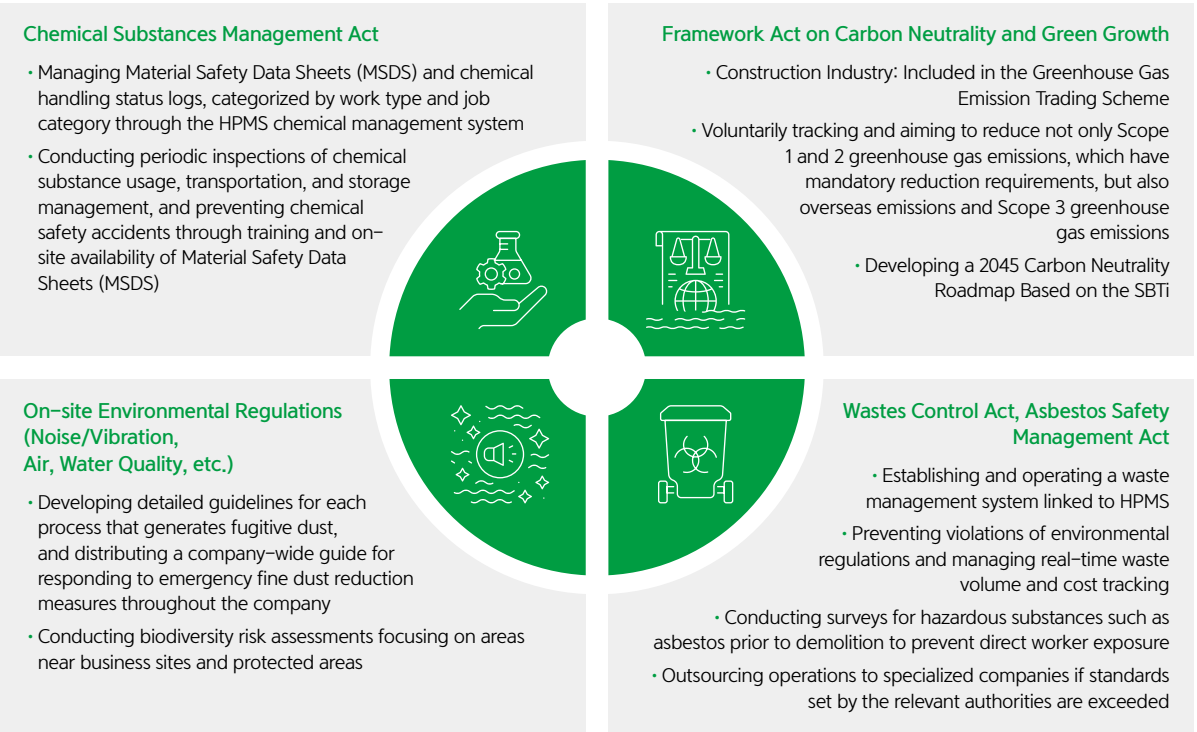
Hyundai E&C conducts environmental risk and opportunity assessments at least once a year for all sites to proactively identify and systematically manage site-specific environmental risks. Additionally, each site performs environmental and energy inspections at least once a week to continuously verify compliance with key environmental regulations regarding air quality, noise and vibration, and waste management.

At the corporate headquarters level, the company manages environmental risks across all sites comprehensively based on a risk management system focused on prevention. In particular, sites scheduled for new construction are required to prepare an environmental risk report prior to commencement. If the evaluation result is Grade B or higher, the site is classified as high-risk, triggering an immediate on-site inspection by headquarters or priority initial support. Aiming for 100% environmental risk assessment coverage across all new sites, the company is continuously strengthening company-wide risk-based environmental management.

▲ On-Site Risk Management System



▲ Environmental Compliance Strategy



Conducting Environmental Accident Prevention Training at Each Site

Hyundai E&C conducts environmental accident response drills at least once every six months and environmental training sessions at least once every quarter for employees and supplier workers. The results are recorded in the HPMS system for systematic management. Additionally, the company continuously improves the effectiveness of these programs by using site environmental assessments to verify compliance with emergency drill requirements and evaluate participation levels. In 2025, a total of 234 environmental accident response drills were conducted across 79 sites, with 5,458 participants. The company supports workers in familiarizing themselves with various environmental accident response procedures and on-site environmental management guidelines to strengthen their practical response capabilities.

Environmental Management ESRS-E2 | E3 | E4 | E5

Risk Management

Pollution ESRS-E2

Hazardous Chemical Management

The company is continuously strengthening its chemical management system in line with industry trends that emphasize a shift toward a comprehensive, prevention-oriented management framework to prevent accidents caused by chemicals. To this end, the company systematically manages Material Safety Data Sheets (MSDS) and chemical handling status by construction type and job category based on our Chemical Management System (HPMS). By conducting regular inspections throughout the entire process of chemical use, transportation, and storage, the company proactively prevents damage caused by hazards and risks. The company also maintains a database of the characteristics and hazard information of handled substances to ensure more efficient chemical management. Furthermore, the company ensures MSDSs are always available on-site and conducts concurrent training for workers to make every effort to prevent chemical accidents, while strictly complying with all legal obligations regarding hazardous chemicals. Additionally, the company has established company-wide standards for the use of heat sources during rapid heating curing in the winter season to prevent serious accidents and occupational diseases, and the company is continuously enhancing its response systems for major regulations such as the Occupational Safety and Health Act and the Act on the Punishment of Serious Accidents.

Monitoring of Emergency Fine Dust Reduction Measures

Hyundai E&C is implementing proactive environmental management based on a customized management system tailored to each construction process, in order to strengthen its response to high concentrations of fine dust and comply with regulations on reducing fugitive dust at construction sites. The company has established and distributed detailed guidelines for key processes at construction sites with a high likelihood of fugitive dust—such as permitting, stockpiling, mining and extraction, transfer, transportation, loading and unloading, and outdoor cutting and grinding—and systematically incorporates these guidelines into site operations. In addition, the company operates a company-wide “Guide for Responding to Emergency Fine Dust Reduction Measures” to ensure a swift and consistent response when high concentrations of fine dust occur. This guide consists of Level 1 measures for the “Concern” stage and Level 2 and 3 responses for the “Caution-Alert-Severe” stages. When emergency reduction measures are issued, the company posts the affected sites, the designated areas, and the required actions on its internal website, and the company monitors compliance through special dust inspections. In addition, Hyundai E&C utilizes an IoT-based environmental monitoring system to continuously monitor noise levels and fine dust concentrations at construction sites. Data collected through measuring instruments linked to environmental IoT sensors can be viewed in real time by site personnel and stakeholders via outdoor LED display boards, PCs, and smartphones, and the system is operated to enable immediate response measures if legal standards are exceeded. Furthermore, at new construction sites, training reflecting cases of administrative penalties for fugitive dust and legal standards is conducted to strengthen preventive environmental management capabilities, and the environmental management system is continuously enhanced through the integration of digital technology.

CASE

Smart Construction Management Platform “HIBoard”

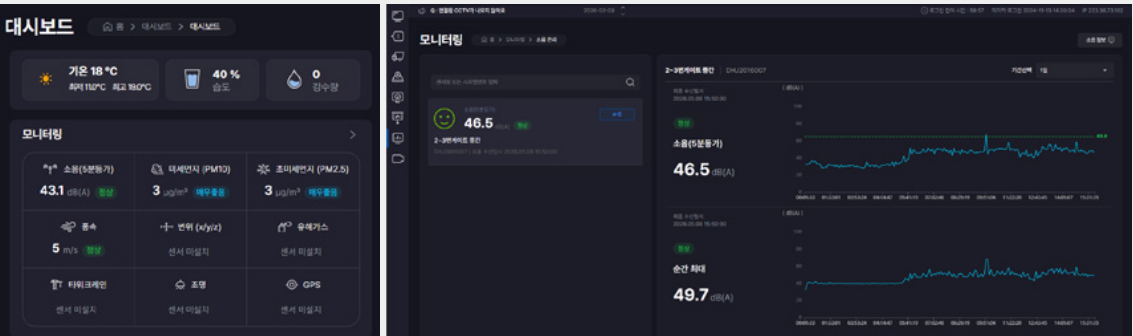
In response to recent stricter regulations on fugitive dust and noise management at construction sites, as well as growing demands from local communities and other stakeholders, Hyundai E&C has established and is operating a real-time integrated environmental management system based on digital technology. This marks a transition to a management system capable of data-driven, round-the-clock monitoring and proactive response.

Hyundai E&C uses its smart construction management platform, “HIBoard” to collect real-time data on fine dust (PM10, PM2.5) and noise from IoT sensors installed at construction sites, and manages this data in an integrated manner. The collected data is visualized on a dashboard and can be viewed simultaneously at both the site and headquarters, enabling an intuitive understanding of environmental conditions at each site and supporting rapid decision-making. Furthermore, the company continuously monitor environmental management standards by accumulating data by site and time period.

In particular, measurement data is managed in accordance with relevant legal standards and internal management criteria, and the company has established a system that sends immediate alerts when standards are exceeded. Site managers can identify the cause and take corrective action as soon as an issue arises. For fine dust, various reduction activities are being carried out, such as intensifying water spraying operations, improving dust suppression facilities, and adjusting work processes. For noise, site-specific measures are being implemented, including adjusting work hours, managing equipment operations, and applying low-noise construction methods.

Furthermore, based on data accumulated through HIBoard, the company analyzes trends in fine dust and noise emissions and proactively identifies patterns of high concentrations and high noise levels. This enables the company to establish work schedules and prepare mitigation measures that consider environmental impacts from the project planning stage, thereby strengthening its system for proactive environmental risk management. This data-driven approach goes beyond simple monitoring and contributes to the gradual improvement of environmental management standards on-site. The company plans to continuously improve the precision of its environmental management system by expanding the scope of sensor deployment and enhancing data analysis capabilities. Additionally, by strengthening customized management standards that reflect the characteristics of each site and rolling out a digital-based environmental management system company-wide, the company aims to minimize the environmental impact of construction sites and further advance the realization of eco-friendly construction sites.

▲ Dashboard and monitoring screen of the HIBoard platform



Environmental Management

ESRS-E2 | E3 | E4 | E5

Risk Management

Water Resources

ESRS-E3

Minimizing Water Pollution Discharges at Construction Sites

Hyundai E&C is making multifaceted efforts to prevent the discharge of water pollutants generated during the construction process. To this end, in 2024, the company distributed a standard manual for environmental facilities and document management to standardize the on-site water quality management system. In accordance with this manual, the company is minimizing the discharge of water pollutants from construction sites by standardizing the operation of facilities such as sedimentation tanks to reduce soil runoff and pump truck washing stations to reduce harmful substances in water. Additionally, to strictly manage the water quality standards of discharged water, the company installs and operates wastewater treatment facilities at sites where wastewater is generated and conducts continuous water quality inspections.

Efforts to Reduce Water Consumption

Hyundai E&C is minimizing water usage generated during the construction process and continuously improving water management capabilities at each site. To this end, starting in 2024, the company has distributed a “Water Recycling and Management Manual” to systematically manage water recycling and conservation across all domestic and international sites. Accordingly, the company has set water consumption reduction targets for each construction phase and established site-specific targets for reducing water usage during the construction process. Recycled water is utilized for various purposes, such as irrigation and cleaning temporary restrooms, in accordance with the water recycling reporting procedures. Furthermore, the company has been installing water-saving devices and water meters in most new construction projects for several years, and the company is introducing grey water recycling systems and rainwater harvesting systems at construction sites. In terms of dust suppression activities, the company is improving water usage efficiency by introducing high-efficiency sprinkler equipment such as sprinklers and misting systems for temporary fences to supplement or replace the operation of traditional water trucks. For Green Building Certification eligible housing during the usage phase, the company aims to expand the installation of water-saving devices to reduce water consumption. Regarding effluent water quality management, the company operates purification facilities at wastewater generation sites and conducts continuous water quality inspections to thoroughly verify compliance with effluent discharge standards.

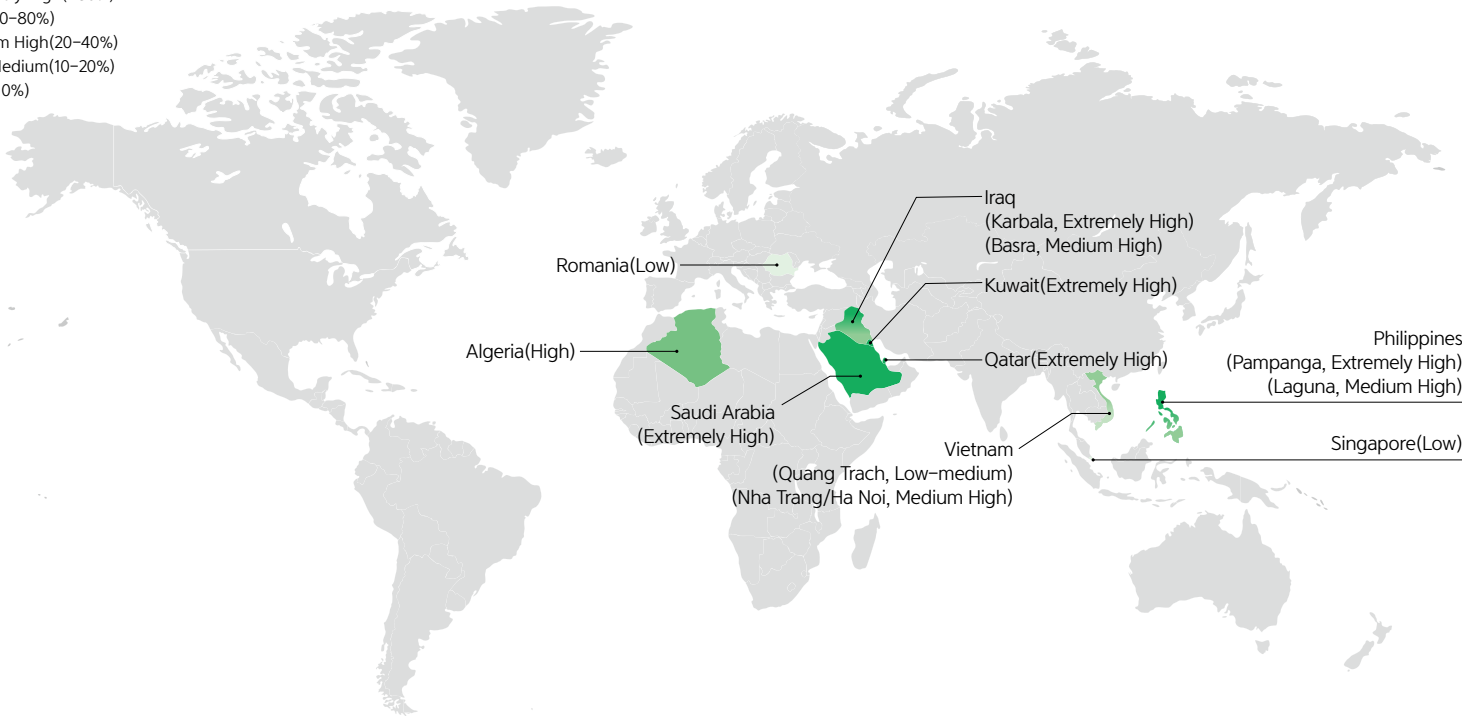
Identification of Water Resource Risks and Analysis of Financial Impact

In response to the growing challenges of climate change and water scarcity, Hyundai E&C analyzed the water stress levels in the regions where its sites are located using the Aqueduct Water Risk Atlas provided by the World Resources Institute (WRI). The goal was to systematically identify water resource risks across all domestic and international sites and strengthen Hyundai E&C’s capacity to address them. Water stress refers to the ratio of water demand to supply. Even if demand remains constant, this figure fluctuates depending on regional water availability; therefore, a higher value can lead to intensified competition among water users, increased procurement costs, and expanded operational risks. The company conducted analysis by classifying water stress into five levels — Low, Low-Medium, Medium-High, High, and Extremely High — based on WRI’s classification criteria. The analysis at the country level revealed that, among the nine countries where overseas projects are located, six countries including Saudi Arabia, Algeria, and Qatar were classified as “High” or higher, while some sites in Iraq, Vietnam, and Philippines were analyzed as “Medium-High” or higher. Furthermore, an analysis assuming the recurrence of water resource risks at certain overseas sites (Iraq, Philippines) estimated that the potential scale of financial losses would range from approximately KRW 230 million to 690 million¹⁾ per year. The company plans to continue implementing technical and institutional improvements to enhance the efficiency and sustainability of water use throughout the entire project lifecycle.

1) The potential financial loss reflects only estimated revenue; if other cost factors are included, the actual financial impact could potentially increase.

▲ Water Stress by Country at Construction Sites

- Extremely High(>80%)
- High(40~80%)
- Medium High(20~40%)
- Low-Medium(10~20%)
- Low(<10%)



Environmental Management ESRS-E2 | E3 | E4 | E5

Risk Management

Biodiversity ESRS-E4

Roles and Responsibilities of the Biodiversity Promotion Organization

As the highest decision-making body, the Hyundai E&C Board of Directors resolves major matters related to biodiversity and performs deliberation and decision-making functions regarding biodiversity issues. Through this framework, the Board ensures that biodiversity conservation initiatives are systematically implemented in alignment with management strategies. The executive in charge of environmental management and sustainability management receives regular reports on biodiversity protection and deforestation prevention policies and their implementation status, ensuring that biodiversity conservation principles are thoroughly integrated across all business operations.

The dedicated Environmental Management Team and Sustainability Team are responsible for tasks such as formulating and revising biodiversity protection policies, assessing biodiversity dependency and impacts, and establishing and implementing management plans. The Environmental Management Team has established biodiversity management regulations and proactively prevents negative environmental impacts on biodiversity using the company's proprietary protected flora and fauna species registration system. The Sustainability Team drives related activities by responding to external initiatives and operating the H-Nature Garden, a biodiversity conservation program.

Biodiversity Protection Policy

Biodiversity Protection Policy

Hyundai E&C has declared its commitment to adhering to the guidelines of the International Union for Conservation of Nature (IUCN) and complying with the legal requirements of all countries and regions where the company operates. Based on this, the company proactively prevents potential negative environmental impacts during project execution and practices responsible corporate activities grounded in the trust of customers and the public. The company complies with biodiversity-related regulations in all business activities and actively promotes biodiversity conservation at its sites worldwide. To this end, the company is establishing and implementing practical conservation measures across all aspects of its business operations.

This policy applies to the entire Hyundai E&C workforce at its domestic and international business sites, as well as to the entire Hyundai E&C workforce at its domestic and international corporations, branches, subsidiaries, and sub-subsidiaries, and partner companies (including joint ventures). Compliance with the Biodiversity Protection Policy is a core element of Hyundai E&C's business, and the company requires the same level of compliance from all partners, suppliers, and collaborators with whom the company has business relationships. Through proactive biodiversity conservation activities at project sites in designated priority areas, Hyundai E&C will implement biodiversity conservation measures at the No Net Loss (NNL) level and strive to gradually expand these efforts to achieve a Net Positive Impact (NPI) by 2050.

Deforestation Prevention Policy

Deforestation Prevention Policy

Hyundai E&C is committed to minimizing deforestation at all project sites worldwide. The company actively addresses stakeholder concerns by preserving green spaces at sites and in surrounding areas, preventing forest degradation in local communities, and promoting efforts to strengthen forest conservation and carbon sequestration. Additionally, the company participates in forest protection activities to ensure the sustainable maintenance and restoration of natural ecosystems, and the company diligently implements the forest restoration measures required during project execution. The company plans to expand new afforestation and reforestation activities with the goal of achieving Net Zero Deforestation by 2050.

Furthermore, through collaboration with external initiatives, the company is minimizing deforestation and promoting carbon offset activities using forest biomass energy to reduce greenhouse gas emissions. These efforts are being expanded to include its suppliers and the entire Value Chain.

This policy applies to all Hyundai E&C sites, subsidiaries, and suppliers, and requires compliance with forest protection principles. Hyundai E&C inspects compliance with relevant laws and regulations across all sites, monitors performance, and promotes continuous inspection and improvement of forest protection activities among key suppliers.

CASE

Pre- and post-project environmental value assessment using natural asset valuation techniques

In 2025, Hyundai E&C collaborated with the Ecology Research Laboratory at Seoul National University's Graduate School of Environmental Studies and Planning Nature¹⁾ to analyze changes in natural capital at project sites using the Natural Asset Value (NAV) methodology.

The analysis focused on four urban redevelopment sites for multi-family housing, comparing and analyzing changes in natural capital before and after development. Key analysis items included biodiversity, natural environment connectivity, and thermal environment (thermal comfort). Biodiversity was assessed based on species diversity and abundance within the sites; natural environment connectivity was evaluated based on the level of connection between green spaces and ecological corridors; and the thermal environment (thermal comfort) was examined based on heat distribution within the city and the level of heat island mitigation. These analyses provided a quantitative review of the ecological and environmental characteristics of the sites.

The analysis confirmed that changes in key indicators across the entire site are likely to contribute to improved thermal comfort through enhanced biodiversity, ecological connectivity, and expanded green spaces, and that balanced improvements in ecological, thermal, and carbon conditions were observed following development.

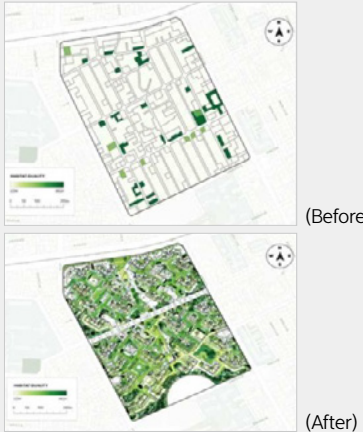
Hyundai E&C is utilizing these analysis results as foundational data in the initial planning and design review stages of urban renewal projects and plans to gradually establish a system for accumulating and managing natural capital-related data in the future. Furthermore, by establishing a foundation to preemptively review factors affecting natural capital in the early stages of projects, the company intends to strengthen its project management system from the perspectives of biodiversity and natural capital.

1) Planning Nature is a startup possessing data analysis technologies for natural capital and ecology; Hyundai E&C carried out this task through its "Startup Open Innovation Program"

▲ Comparison of four urban redevelopment project sites before and after implementation

Target Site	Comparison before and after project implementation		
	Biodiversity	Continuity of the Natural Environment	Thermal Comfort
Site A	4.9-fold increase	1.2-fold increase	Improved by 4.7°C
Site B	7.5-fold increase	1.3-fold increase	Improved by 7.6°C
Site C	2.9-fold increase	1.3-fold increase	Improved by 5.5°C
Site D	8.5-fold increase	1.5-fold increase	Improved by 5.9°C

▲ Comparison of biodiversity at Site D before and after



Environmental ManagementESRS-E2 | E3 | E4 | E5

Risk Management

BiodiversityESRS-E4

Identification and Assessment of Natural Capital Risks

As biodiversity loss has emerged as an issue that can significantly impact corporate operations and the entire value chain, the need for quantitative analysis of dependency on and impact on natural capital is growing. Reflecting the characteristics of the construction industry, Hyundai E&C conducted a preliminary analysis using ENCORE¹⁾ and, based on this, utilized tools such as the World Wildlife Fund’s (WWF) Biodiversity Risk Filter (BRF) to assess the dependency on and impact of business activities and the value chain (areas adjacent to business sites, upstream, and downstream) on natural ecosystems. Additionally, an analysis and management system was established with reference to the Taskforce on Nature-related Financial Disclosures (TNFD) framework. The analysis was conducted based on 23 indicators across three areas. “Dependency” refers to the extent to which construction activities depend on natural capital elements such as water, soil, air, and ecosystem functions, while “Impact” refers to the negative or positive changes that these business activities may cause to natural capital. The analysis revealed that while the construction industry has a high dependency on climate and rainfall related ecosystem services, it can also have a relatively high impact on biodiversity through certain factors such as disturbance (light, noise, etc.), freshwater usage, and pollutant emissions. Conversely, the analysis indicated that the impact resulting from land use is relatively limited. Based on these findings, climate change, water resource management, and the reduction of disturbances and pollution were identified as key areas requiring management attention. Hyundai E&C conducted an additional analysis of natural capital risks in 15 major project regions and, using the Integrated Biodiversity Assessment Tool (IBAT), comprehensively reviewed information on the number of International Union for Conservation of Nature (IUCN) Red List species, protected areas, and areas of high biodiversity importance within a 50-kilometer radius of each project. The results of these analyses are being incorporated into the company-wide risk management system through the processes of site selection, design review, and construction planning. Based on these findings, the company is implementing Avoid, Minimize, Restore, and Offset activities in accordance with its Environmental Management Policy, Biodiversity Protection Policy, and Deforestation Prevention Policy.

1) A tool that categorizes factors affecting natural capital dependency and impact into five grades, ranging from VL (Very Low) to VH (Very High)

▲ Biodiversity Dependency and Impact Assessment Indicators(Construction Industry)

VL(Very Low) L(Low) M(Medium) H(High) VH(Very High)

Category		Indicator	Description	Level
Dependency	Provisioning Services	Water supply	Function of natural systems to provide available freshwater for human activities	M
		Global climate regulation services	Function to affect the global climate system by regulating greenhouse gas concentrations in the atmosphere	M
		Rainfall pattern regulation services (at sub-continental scale)	Function to shape regional precipitation patterns by influencing atmospheric and hydrological cycles	VH
		Local(micro and meso) climate regulation services	Function of land cover and ecosystems to influence local temperature, humidity, and air currents	L
		Air filtration services	Function of ecosystems to capture and remove particulate matter and pollutants from the atmosphere	VH
	Mitigating & Regulating Services	Soil and sediment retention services	Function of vegetation and soil structures to inhibit soil erosion and sediment transport	H
		Water purification services	Function to remove pollutants within water systems through biological, chemical, and physical processes	M
		Water flow regulation services	Function to regulate hydrological flows through the storage and release of surface water and groundwater	M
		Flood mitigation services	Function to reduce flood occurrence and intensity through the storage and buffering capacity of hydrological systems	H
		Storm mitigation services	Function of natural structures to mitigate the impacts of extreme weather events	H
		Noise attenuation services	Function of ecosystems to reduce noise levels by absorbing and blocking sound transmission	VL
		Other regulating and maintenance service-Dilution by atmosphere and ecosystems	Function to reduce pollutant concentrations through dispersion and dilution processes within the atmosphere and ecosystems	L
		Other regulating and maintenance service-Mediation of sensory impacts (other than noise)	Function to influence the human cognitive environment by altering sensory environmental factors, such as visual and olfactory elements	VL
	Impact	Disturbances (e.g noise, light)	Alteration of ecosystem structures and functions caused by physical factors such as noise, vibration, and artificial light	VH
		Area of freshwater use	Spatial extent where the appropriation or physical transformation of freshwater resources occurs	VH
		Emissions of GHG	Activities that affect the climate system by emitting greenhouse gases into the atmosphere	M
		Area of seabed use	Extent where the appropriation or physical transformation of seabed space occurs	M
		Emissions of non-GHG air pollutants	Activities that release pollutants affecting air quality into the atmosphere	L
		Generation and release of solid waste	Activities that impact the environment during waste generation and treatment processes	M
		Area of land use	Activities involving land use (occupation), conversion, or physical transformation	L
		Emissions of toxic pollutants to water and soil	Activities leading to the introduction of hazardous chemicals into water systems or soil	H
		Volume of water use	Total volume of activities related to the withdrawal and consumption of freshwater resources	L
		Introduction of invasive species	Activities causing changes in ecosystem structures and functions through the introduction of non-native (invasive) species	L

▲ Natural Capital Risk Assessment Results by Site

Very low risk(1.0-1.8) Low risk(1.8-2.6) Medium risk(2.6-3.4) High risk(3.4-4.2) Very high risk(4.2-5.0)

Country	Regional	Provisioning Services	Surrounding Environmental Conditions	Natural disasters	Biodiversity	Environmental Factors	Number of Protected Species		
							IUCN ¹⁾	Protected Areas ²⁾	KBA ³⁾
South Korea	Seoul						44	138	10
South Korea	Ulsan						53	72	1
South Korea	Ulsjin						39	66	0
South Korea	Gwangmyeong						43	139	11
South Korea	Ansan						43	141	9
South Korea	Busan						57	83	2
South Korea	Incheon						46	130	11
South Korea	Daejeon						13	85	1
United Arab Emirates	Abu Dhabi						68	7	1
Panama	Panama						70	21	13
Iraq	Basra						50	7	4
Saudi Arabia	Al-Sharqiyah						59	3	2
Philippines	Manila						257	14	4
Qatar	Al Dayen						61	10	2
Vietnam	Quang Binh Province						149	8	3

1) Number of species listed as Endangered or higher on the IUCN Red List within a 50 km radius of the project
2) Number of areas such as national conservation areas, Natura 2000 sites, and Ramsar sites within a 50 km radius of the project
3) Number of Key Biodiversity Areas (KBAs), such as Important Plant Areas (IPAs) and Alliance for Zero Extinction (AZE) sites, within a 50 km radius of the project

Environmental Management

ESRS-E2 | E3 | E4 | E5

Risk Management

Biodiversity

ESRS-E4

Biodiversity Risk Management

Hyundai E&C recognizes biodiversity conservation as a core corporate sustainability priority, and it is strengthening its strategic approach to minimize negative impacts on biodiversity across the construction industry. To this end, it has established a Biodiversity Protection Policy and is systematically developing habitat conservation plans not only for own operations but also for areas adjacent to project sites and throughout value chain, including upstream and downstream partners. Specifically, the company is implementing various biodiversity management strategies, including habitat protection, relocation measures, maintenance of food chains, application of low-impact construction methods, use of low-impact equipment, and improvement of construction site environments. By 2025, these protective measures had protected 40 species across a total of 13 sites. Furthermore, the company has expanded its management scope to include key suppliers, continuously monitoring and improving their biodiversity conservation activities based on supplier sustainability assessments. This aligns with the recent global trend of expanding biodiversity management across the entire value chain. Furthermore, by submitting reports on the enactment and revision of Biodiversity Protection Policies and the prevention of deforestation to the Sustainability Management Committee, the company is strengthening company-wide collaboration and linking it to strategic decision-making. This system serves as a foundation for the consistent implementation of its biodiversity strategy.

▲ Biodiversity Management Activities

Priority Considerations Site	Number of Protected Species (Species) ¹⁾					Details of Activities
	EN (Endangered)	VU (Vulnerable)	NT (Near Threatened)	LC (Least Concern)	Total	
Shaheen Ethylene Plant Construction Project PKG1	–	–	–	3	3	① Implementation of vegetation cover using slope stabilization and remediation techniques, ② Development of a plan to install additional ecological ditches (escape routes)
Hillstate Doan River Park Complexes 1, 2, 3, and 5	–	–	4	8	12	① Use of low-noise, low-vibration equipment, ② Development of plans for parks and green spaces
Magok The Grid	1	–	–	–	1	① Installation of dust suppression nets around protected trees and intensify water spraying operations, ② Avoidance of high-speed driving and idling when operating vehicles and equipment
Construction of the Innovative Nuclear Research Complex	–	–	–	2	2	① Installation of double perimeter fencing (guidance fencing to prevent roadkill) and artificial nests
Construction of the Gwangyang Port Regional Dredged Soil Disposal Site	1	1	1	3	6	① Laying of filter mats, ② Installation of silt prevention nets and warning signs
Construction of Section 6 of the Wolgot–Pangyo Double–Track Railway	1	2	2	16	21	① Use of low-noise, low-vibration equipment
Busan–Jinhae Free Economic Zone Waseong District Development Project	–	–	1	–	1	① Development of plans for the restoration or creation of alternative habitats for legally protected species and marine life, ② Development of plans to reduce suspended sediment, ③ Development of measures to prevent the discharge of pollutants
Gimpo–Paju Expressway Section 2	3	3	3	10	19	① Installation of biotopes and alternative habitats, ② Creation of paddy fields, ③ Suspension of excavation work during migratory bird arrival periods, ④ Use of low-noise, low-vibration TBM construction methods
Incheon New Port Container Terminal 1–2 Substructure Works	1	1	1	1	4	① Periodic monitoring by experts, ② Establishment and implementation of emergency conservation measures if impacts on key habitats are identified, ③ Install oil containment booms; ④ Establish oil spill response measures
Incheon Metro Line 1 Geomdan Extension Section 1	–	–	–	5	5	① Use of low-noise, low-vibration construction methods, ② Minimization of nighttime lighting
East Coast–Sin–Gapyeong HVDC Transmission Line Construction	–	–	–	1	1	① Initial installation of 20 artificial nests and periodic monitoring of legally protected species, ② Implementation of wildlife conservation education
Construction of Busan Eco Delta City Section 3–3	1	–	1	9	11	① Establishment of a conservation plan for the riverbank, ② Implementation of measures to reduce soil erosion, such as installation of temporary drainage channels
Construction of a new road between Geomdan and Gyeongmyeong-ro	–	–	–	2	2	① Use of low-noise, low-vibration construction methods, ② Installation of sedimentation basins and silt prevention nets

1) Classification according to the IUCN Red List: EN (Endangered), VU (Vulnerable), NT (Near Threatened), LC (Least Concern)

Prohibition of Deforestation

Hyundai E&C recognizes the sustainability of forest resources as one of its core environmental responsibilities, and the company is promoting company-wide afforestation and forest conservation activities with the goal of achieving “Net Zero Deforestation” by 2050. To this end, the company is carrying out afforestation and reforestation activities at all domestic and international sites, and when necessary, the company collaborates with local communities and specialized organizations to implement forest conservation and management programs. In particular, the company contributes to reducing greenhouse gas emissions through carbon offset activities based on forest biomass, and the company is strengthening environmental impact assessments and forest impact monitoring throughout the entire project lifecycle. Through these efforts, the company aims to proactively prevent and minimize negative impacts on forest ecosystems. At the same time, the company is strengthening the management of forest resource usage within its value chain. The company procures certain materials, such as wood-based finishing materials, through suppliers certified by the Forest Stewardship Council (FSC) and Healthy Building Material (HB), and the company implements a responsible raw material procurement policy by limiting all paper purchases to 100% FSC-certified products. Moving forward, Hyundai E&C will continue to strengthen various activities aimed at conserving forest ecosystems, expanding carbon sinks, and ensuring the sustainable procurement of raw materials, striving to become a company that achieves a balance between addressing climate change and protecting natural capital.

Environmental Management ESRS-E2 | E3 | E4 | E5

Risk Management

Resource Use and Circular Economy ESRS-E5

Integrated Waste Management System

To enhance the systematic approach and transparency of waste management, Hyundai E&C has established a waste management system that integrates the Ministry of Environment’s “Allbaro System” with its proprietary IT system, HPMS(Hyundai Project Management System), and the company has been continuously operating and managing it to this day. In 2023, the system was upgraded to reflect changes in national waste management system standards, thereby successfully establishing a stable, data-driven waste management framework. Using this system, the company collects real-time data on the types, volumes, and disposal methods of waste at each site. The company analyzes annual waste generation at domestic sites to continuously improve its management standards. Additionally, by comprehensively monitoring waste generation and disposal costs by business division, contractor, and waste type, the company proactively prevents violations of environmental regulations and minimizes risks.

Recycled Building Materials

Hyundai E&C is reducing construction waste generation and minimizing environmental impact by replacing some construction materials with recycled building materials. The company plans to continue promoting waste reduction by expanding the use of recycled materials in the future.

Waste Reduction and Recycling Efforts

Hyundai E&C has established and operated “Waste Separation Standards,” “Waste Management Guidelines,” and “Air Quality Management Guidelines” to reduce the environmental impact of demolition and dismantling processes across the entire value chain and to promote resource circulation. The company distributes “Waste Management Standards” to all employees to expand reuse and recycling, thereby reducing waste sent to landfills or incinerators. The company is also operating an implementation system that includes standardizing waste separation and storage signage, expanding the types of waste accepted, and strengthening on-site guidance. Furthermore, the company incorporates waste management criteria into its evaluation of suppliers and provides incentives to top-performing suppliers to encourage voluntary improvements. The company is also enhancing resource utilization by prioritizing the use of recycled materials and recycled aggregates and by outsourcing to designated collection companies. As a result, total waste generation in 2025 was 1,374,701 tons, and the company achieved a recycling rate of 99.99%.

CASE

Expanding the Portfolio of Eco-Friendly, Resource-Circulating Energy Businesses

Since completing construction of the Siheung Clean Energy Center in July 2024 — Korea’s first privately funded integrated biogas facility — the company has been expanding its portfolio of resource-circulating energy projects. In 2025, in collaboration with the Ministry of Environment and Inje County, the company is pursuing the “Integrated Biogas Energy Demonstration Project.” Based on an integrated biogas demonstration plant capable of processing 75 tons of organic waste per day, the company is developing high-efficiency biogas production technology and verifying its performance. This project aims to develop and validate technologies for the integrated treatment of various organic waste resources, such as livestock manure, food waste, and sewage sludge, with the goal of improving treatment efficiency and energy recovery rates. In particular, the facility is designed to recover more than 70% of the energy contained in organic matter and achieve an energy self-sufficiency rate of over 90% for the treatment facility, thereby realizing both waste treatment and energy production while improving operational efficiency through reduced processing times. The demonstration facility is scheduled to be constructed in Inje County, Gangwon Province, and is expected to transition to commercial operation in 2027 following the completion of main construction in 2026 and a trial run in 2027. Through this, the company plans to simultaneously resolve local issues related to livestock manure and food waste treatment while establishing a foundation for renewable energy production using waste resources. Building on this demonstration-based technology, Hyundai E&C successfully secured the private investment project for the Gumi City Regional Integrated Biogas Facility in April 2026, marking its entry into the business expansion phase. This project involves producing and refining biogas from 475 tons of organic waste per day and supplying it as city gas. It is expected to produce approximately 5.5 million Nm³ of biogas annually, enough to supply about 9,000 households. In this way, the company is continuously expanding its eco-friendly energy business based on resource circulation by linking the acquisition of demonstration-based technologies with business expansion.

▲ Rendering of the Gumi City Regional Integrated Biogas Facility

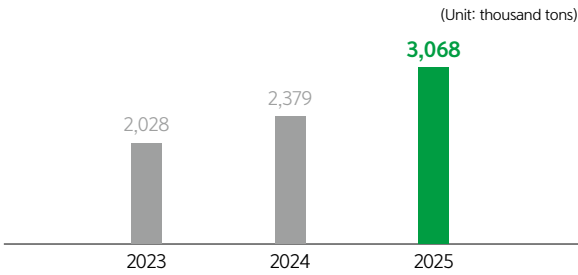


Environmental Management ESRS-E2 | E3 | E4 | E5

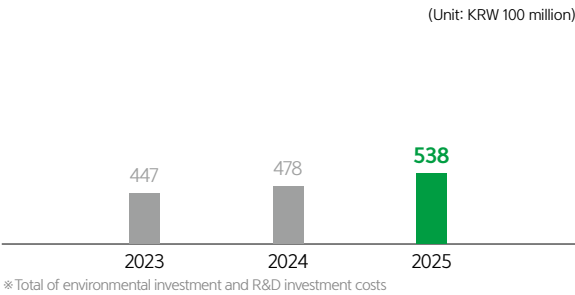
Metrics and Targets

Metrics

▲ Water Intake Volume



▲ Environmental investment and R&D expenditure



▲ Waste Generation

(Unit: tons)

Category	2023	2024	2025	2025 (Target)
Total Waste Generation	1,289,671	1,272,643	1,374,701	1,297,798
Landfill	158	350	0	357
Incineration	77	42	7	43
Recycling	1,289,436	1,272,250	1,374,694	1,297,398

※ Due to rounding to the nearest whole number, the displayed total may differ slightly from the sum of the individual items.

Targets

Project-Specific Waste Management and Recycling Targets

In November 2022, Hyundai E&C signed a “Voluntary Agreement for the Eco-friendly Treatment and Expansion of Recycling of Construction Waste” with the Ministry of Environment and is working to reduce waste and achieve a circular economy. Furthermore, by improving the construction waste permitting process, the company has standardized major waste categories into eight types and is establishing a recycling-centered treatment system based on contracts with specialized companies. All sites have established and are implementing waste management plans. In conjunction with its Environmental Management Policy, the company is continuing to pursue waste reduction and strengthened resource circulation, including setting a target recycling rate of 99.97% by 2025.

▲ Waste Target and Performance

(Unit: %)

Category	2023	2024	2025	2025 (Target)
Waste Recycling Rate	99.98	99.97	99.99	99.97

Minimizing Environmental Impact by Achieving ‘Zero Environmental Penalties’ by 2030

Hyundai E&C has set a goal of achieving “Zero Environmental Penalties” by 2030 and the company is systematically monitoring the fulfillment of annual quantitative targets. To this end, the company is expanding investment in eco-friendly equipment and facilities and proactively responding to domestic and international construction environmental regulations through regular monitoring of environmental regulations. Additionally, the company is implementing energy conservation and resource recycling initiatives at the headquarters level and spreading environmental awareness throughout the organization through environmental education for employees.

▲ Mid- to Long-Term Environmental Management Goals and Implementation Strategies

Goals	Implementation Strategies		
	Short-term	Medium-Term	Long-Term ¹⁾
	2021–2025	2026–2030	2031–2050
Major Environmental Accidents Zero	Establishment of a detailed inspection and support system	Establishment of a system for intensive management of high-risk sites	Establishment of a self-regulated prevention system
	• Establishment of an Early-Stage On-Site Environmental Management System	• Establishment of a classification system for environmental risks and opportunities (environmental risk assessment by process/area)	• Establishment of an environmental patrol inspection culture
	• Reinforcement of the environmental inspection system (site-wide inspections twice a year)	• Execution of focused management of high-risk environmental sites	• Establishment of sustainable roles and responsibilities through the assignment of dedicated environmental management personnel
	• Reinforcement of compliance monitoring of the Environmental Management System (ISO 14001) and refining evaluation criteria	• Introduction of an environmental performance (KPI) system for overseas sites	• Establishment of an automated Environmental Management System
Environmental Qualification (PQ)Zero penalty points	Distribution of Environmental Management Guidelines for vulnerable periods		
	Establishment of Environmental Management System	Standardization of Environmental Management System	Internalization of a Leading Environmental Management System
	• Publication of Environmental Guide Map	• Expansion of standardization criteria for environmental facilities	• Internalization of environmental management among employees
	• Dissemination of environmental issues and regulations (on-site dissemination)	• Diversification of content and other initiatives to enhance on-site environmental management training and capabilities	• Introduction of AI-integrated smart environmental management technology
Construction Waste Recycling Rate 100%	Establishment of environmental management budget allocation criteria	• Monitoring of environmental protection investment costs through the refinement of environmental management budget allocation criteria	–
	Establishment of a KPI management system for environmental law violations	–	–
	Establishment of a Waste Management System	Reinforcement of On-Site Waste Management	Expansion of the foundation for sustainable resource recovery
	• Establishment of an integrated waste management system	• Reinforcement of the waste monitoring system and establishment of recycling guidelines	• Promotion of technologies to minimize waste throughout the construction process (e.g., modular construction, recycled concrete)
Natural Capital (Water Resources and Biodiversity) Institutionalization of Management Systems and Water Reuse Rate (1.5% by 2030)	Formulation of guidelines for waste and resource recycling	• Standardization of waste management facilities and operations	• Increase in the utilization rate of recycled resources (mandatory use of recycled aggregates, etc.)
	Establishment of criteria for allocating waste disposal costs	• Refinement of waste disposal cost allocation standards	• Establishment of sustainable waste management and resource recovery
	Establishment of a Natural Capital Management System	Enhancement of the natural capital management system	Institutionalization of Activities to Enhance and Protect Natural Capital
	• Establishment of a management system, including the formulation of natural capital regulations and system improvements	• Enhancement of the natural capital data management system	• Integration of natural capital protection activities into business operations
	Establishment of standards for water use, water quality management, and water reuse	• Development of guidelines for water supply, water quality management, and reuse	–
	Establishment of budget allocation standards for water pollution sources (Establishment of water quality management budget allocation standards)	• Reinforcement of the natural capital monitoring system (monitoring across all sites)	–

1) Subject to change in accordance with national laws/policies and corporate management policy directions



Hillstate Geomdan Forest

Social

Own Workforce	93
Value Chain	106
Affected communities	111

Own Workforce ESRS-S1

Governance

Hyundai E&C conducts regular human rights risk assessments and operates a grievance handling system to practice management that respects human rights, while providing various welfare programs to support work-life balance. Furthermore, the company prioritizes the value of human resources and takes the lead in fostering a corporate culture where all members are respected. Under the supervision of the Board of Directors, the company has established a company-wide human resources management system, which is operated primarily by the HR Management Group under the Management & Admin Division. The HR Management Group consists of the HR Planning Team, Talent Operation Team, HR Support Team, and Talent Growth Team, and is responsible for all aspects of human resources management, including talent development, recruitment and workforce management, evaluation and compensation, and labor relations. Based on this HR management system, the company is committed to developing the capabilities of employees, ensuring fair personnel management, and creating a stable work environment. In addition, key operational status and performance related to human resources are regularly reported to senior management, and major issues related to the Own Workforce—such as human rights, diversity, and talent development—are managed through the Sustainability Steering Committee. When necessary, a reporting system to the Sustainability Management Committee and the Board of Directors is in place to strengthen the transparency and accountability of human resources management.

Strategy

Mid-to-Long-Term Roadmap for Human Rights Management

Hyundai E&C has established mid-to-long-term goals and operates a human rights management roadmap to realize the value of respecting human rights. In 2025, the company reviewed its existing Human Rights Charter and guidelines in alignment with international human rights norms, including the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPs), and the ILO Declaration on Fundamental Principles and Rights at Work. Concurrently, the company was conducting human rights due diligence at sites in high-risk countries and new markets. By 2027, the company aims to embed and advance human rights management. The company plans to continuously expand the scope of human rights assessments to include not only domestic and international sites but also various stakeholders, such as suppliers, subsidiaries, and indigenous peoples. Furthermore, by 2030, the company is going to expand human rights assessments across its global value chain and establish a leading human rights risk management system through the enhancement of grievance procedures and monitoring of improvement implementation.

▲ Mid-to-Long-Term Roadmap for Human Rights Management



Risk Management

Own Workforce-Related Policies

Human Rights Charter

Hyundai E&C Human Rights Charter

Hyundai E&C has established a Human Rights Charter to prevent human rights violations that may occur during business operations and to manage related risks. This policy applies to all stakeholders in the value chain, including employees of domestic and international subsidiaries and sub-subsidiaries, as well as those of partner companies. In particular, to ensure the practical implementation of human rights management, the company has codified a risk management system and established a dedicated framework, thereby laying the groundwork for a culture of respect for human rights to take root within the company.

▲ Basic Principles of the Human Rights Charter

Article 1 Prohibition of Discrimination (Zero-tolerance principle applied)	Article 2 Working Condition Compliance and Equal Remuneration	Article 3 Humane Treatment and Prohibition of Workplace Harassment	Article 4 Guarantee of the Freedom of Association and Collective Bargaining	Article 5 Prohibition of Child Labor and Forced Labor	Article 6 Prohibition of Human Trafficking and Exploitation
Article 7 Compliance with Living Wage	Article 8 Guarantee of Industrial Safety	Article 9 Protection of the Human Rights of Local Residents	Article 10 Protection of the Human Rights for Customers	Article 11 Responsible Supply Chain Management	Article 12 Guarantee of Environmental Rights

Diversity and Inclusion Policy

Hyundai E&C Diversity and Inclusion Policy

Hyundai E&C has established a Diversity and Inclusion Policy (D&I) that strictly prohibits all forms of discrimination based on gender, race, nationality, disability, or beliefs. This policy applies broadly to not only employees at the headquarters, subsidiaries, and joint ventures, but also to customers and local communities. The company has established an internal operational framework to embed the Diversity and Inclusion Policy, and the Board of Directors and a dedicated organization perform key functions to foster a culture that promotes diversity and inclusion.

Labor Practices Policy

Hyundai E&C operates a Labor Practices Policy to ensure respect for the fundamental rights of employees. This policy applies not only to own employees but also to suppliers and partners contracted with Hyundai E&C. In particular, through the Supplier Code of Conduct, the company recommends compliance with basic labor rights and supports the establishment of proper labor practices throughout the entire value chain.

▲ Key Provisions of the Labor Practices Policy

 Paying a living wage	 Avoiding or reducing overtime or excessive working hours	 Setting maximum working hours
 Equal remuneration for men and women	 Paying workers for annual leave	 Setting minimum consultation or notice periods before mass terminations

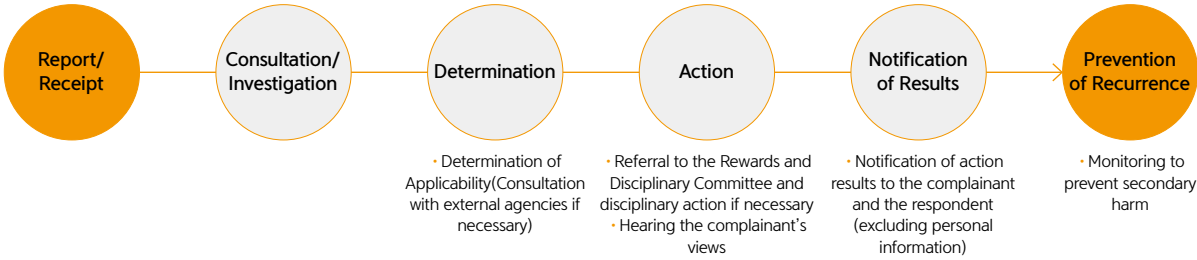
Own Workforce ESRS-S1

Risk Management

Grievance Handling Process

Hyundai E&C has established its own grievance handling process to address human rights-related grievances among own employees.

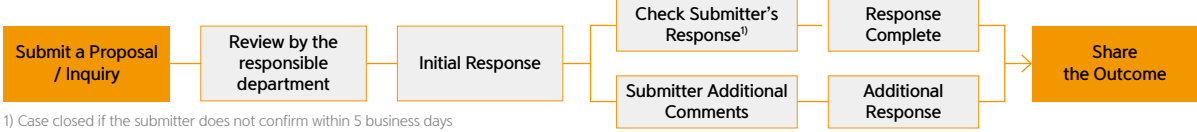
▲ Own Workforce Grievance Handling Process



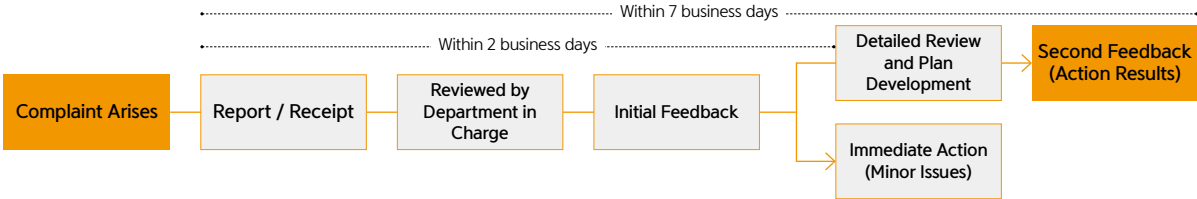
Human Rights Grievance Channel

Hyundai E&C operates “H-Dudrim,” an integrated grievance handling system designed to resolve human rights-related grievances. In particular, the company has established differentiated grievance handling procedures for employees and external stakeholders to enhance operational efficiency. As of 2025, out of a total of 139 grievances received from employees, actions were completed in 95 cases, and improvement measures are currently underway for the remaining 44 cases. Major grievances included personnel-related issues such as working hours and performance evaluation systems, as well as requests for improvements to the office environment, including office buildings and IT systems. The company accepts reports of serious human rights violations, such as discrimination, harassment, and sexual harassment, through an internal Hot-Line, and reports of other violations of ethical guidelines through the ‘Cyber Audit Office.’ Reports received through these channels are thoroughly reviewed by the relevant departments and referred to the Personnel Ethics Committee (Rewards and Disciplinary Committee). Depending on the nature of the case, the company conducts fair and objective investigations in collaboration with external specialized agencies (such as labor law firms) when necessary. Based on the investigation results, the company takes strict measures such as reprimands, salary reductions, and suspensions to establish an ethical culture within the organization and do its utmost to protect the human rights of victims. In 2025, a total of six cases of discrimination and harassment were reported, and appropriate measures were taken. Details can be found in the ‘Whistleblowing Channel(p.130)’ section of this report.

▲ H-Dudrim Process (Own Employee)



▲ H-Dudrim Process (External Stakeholders)

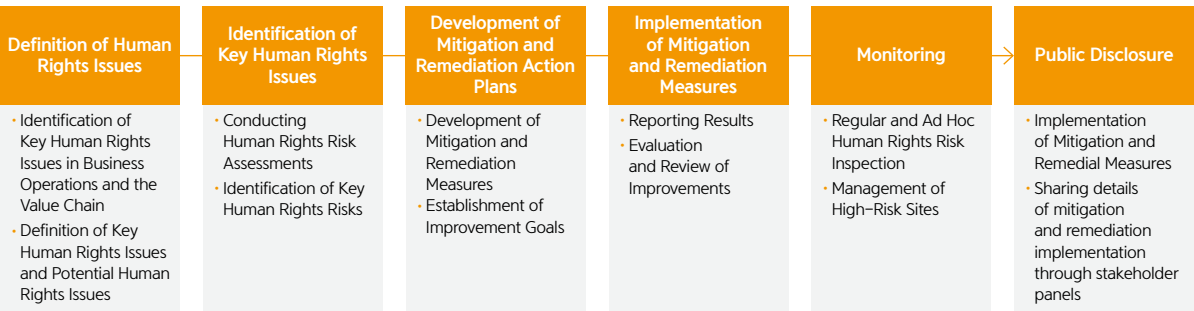


Actions to Mitigate Significant Impacts on the Own Workforce

Human Rights Risk Management

Hyundai E&C conducts regular human rights risk assessments to manage human rights risks and implements improvement activities based on the results. In particular, the company applies human rights risk management processes across the entire value chain to conduct ongoing monitoring of domestic and international business sites, and works to protect human rights by proactively managing key human rights issues and vulnerable groups.

▲ Human Rights Risk Management Process



Proactive Identification of Human Rights Risks

Hyundai E&C has identified eight groups—including the Own Workforce, third-party contract workers, and Suppliers—as key stakeholders for the proactive identification of human rights risks, and has identified a total of nine potential human rights violation risk factors. Additionally, to reflect changing potential human rights issues each year, the company conducts human rights risk assessments whenever new projects are launched or new business relationships are established.

▲ Potential Issues by Category in the Construction Industry’s Human Rights Risk Assessment

■ L: Low risk ■ P: Potential risk

Human Rights Issue	Subject of Human Rights Risk Assessment							
	Own Workforce	Third-Party Contract Workers	Suppliers (Migrant workers, etc.)	Women	Children	Indigenous peoples	Local Communities	Clients
Human Trafficking	L	L	P	P	P	L	L	L
Forced Labor	L	L	P	P	P	P	L	L
Child Labor	L	L	L	L	L	P	L	L
Freedom of Association	L	L	P	L	L	L	L	L
Right to Collective Bargaining	L	L	P	L	L	L	L	L
Non-Discrimination	L	L	P	P	L	L	L	L
Gender Equality and Equal Remuneration	L	L	L	P	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 ESRS-S1

Risk Management

Actions to Mitigate Significant Impacts on the Own Workforce

Human Rights Risk Assessment Method

▲ Assessing Human Rights Risks in the Value Chain

Upstream		Business Operations		Downstream	
Extraction / Logging	Manufacturing / Supply	Pre-operational	During Operations	Sales	After-sales Service
Raw Materials b e	Manufacturing b	Development a b c	Construction a b c d	Pre-sale b d	Customer Service d

(Unit: Scope of Investigation(%), Issue Identification Rate (%), Remediation Rate (%))

Scope	Vulnerable Groups	Definition of Issues	Risk Level	Assessment Framework	Scope of Investigation	Issue Identification Rate	Remediation Rate
a Workplace	Own Workforce, Third-Party Contract Workers, Women, Children	Basic human rights related to the working environment of the Own Workforce including equal Remuneration, freedom of association, the right to collective bargaining, occupational safety and health, and protection against discrimination and harassment, as well as potential human rights violations	Subject to Due Diligence	Workplace Human Rights Risk Assessment	100	0	100
b Value Chain	Workers of Suppliers (including migrant workers), third-party contract workers	Basic human rights of the Own Workforce, such as prohibition of discrimination, and issues related to violations of labor rights and safety rights, for suppliers or companies with newly established business relationships	Subject to Due Diligence	Value Chain Human Rights Risk Assessment	100	4.8	100
c Business Relationships	Indigenous Peoples, Local Communities	Direct infringement of indigenous peoples' rights, including land and property rights, arising from construction projects within the scope of construction	Subject to Due Diligence	Business Relationship Risk Assessment	100	12.5	100
d Sales Management	Customers, Local Communities	Information security and security breaches	Subject to Due Diligence	Sales Management Risk Assessment (Information Security Vulnerability Assessment)	100	3.8	100
e Raw Material Supply	Indigenous Peoples, Children	Child labor, exploitation through forced labor, and human trafficking in the course of illegal logging	Preliminary Caution	-	-	-	-

Human Rights Risk Assessment Results

a Workplace Human Rights Risk Assessment

Hyundai E&C regularly identifies and assesses potential human rights risks not only at its own operations but also among stakeholders across the entire business, including the value chain, mergers and acquisitions, and joint ventures. In 2025, the company conducted monitoring based on a human rights checklist across 122 domestic and international business sites, focusing on key areas such as respect for fundamental human rights, protection of labor rights, safety assurance, and employee benefits. The assessment results showed a 100% implementation rate for the human rights checklist, and no significant human rights risks were identified at any site. However, considering the potential for risks specific to each country and region, the company implemented proactive risk mitigation measures at 29.6% (47 out of 159 sites in 2023) of all business sites based on the assessment results from the past three years. In particular, to address common shortcomings in grievance handling systems identified across overseas sites, the company expanded the use of suggestion boxes and regular interviews. Additionally, it improved the working environment by expanding amenities, such as cafeterias and fitness facilities, based on feedback from on-site workers. Hyundai E&C plans to continue sharing the human rights monitoring checklist via the company-wide bulletin board to establish a culture of self-directed human rights risk management at all sites.

▲ Results of the 2025 Workplace Human Rights Risk Assessment

(Unit: Number of sites (sites), Percentage (%))

Category	Number of Sites	Percentage
Risk Assessment	122 (89 domestic, 33 overseas sites)	100
Risk Identification	0	0
Risk Mitigation	-	100

▲ Implementation Status of Workplace Human Rights Risk Assessments in 2025

(Unit: %)

(Unit: %)

			Category	Workplace Implementation Rate	Change from Previous Year
Respect for Basic Human Rights			Prohibition of Discrimination and Abuse	100	-
			Protection of Rights	100	-
			Grievance Handling	100	-
			Protection of Local Residents' Rights and Environmental Rights	100	-
Labor Human Rights Protection			Prohibition of Forced and Child Labor	100	-
			Payment of Wages	100	-
			Compliance with Working Hours	100	-
			Guarantee of Freedom of Association and Collective Bargaining	100	-
Workplace Safety Assurance			Safety Compliance	100	-
			Safety and Health Committee	100	-
			Health Promotion	100	-
			Accommodations/ Rest Facilities	100	-
Employee Benefits			Cafeteria	100	-
			Recreational facilities	100	-

Own Workforce ESRS-S1

Risk Management

Actions to Mitigate Significant Impacts on the Own Workforce

Human Rights Risk Assessment Results

b Value Chain Human Rights Risk Assessment

Hyundai E&C identifies economic, environmental, and social risks that may arise throughout the value chain and incorporates them into its business operations. In particular, the company regularly assesses the management standards of its suppliers based on risk assessment indicators covering key areas such as human rights, labor, and safety, thereby ensuring the sustainability of the value chain. For Suppliers requiring improvement based on the assessment results, the company requires the development of effective corrective action plans and provides support to ensure that follow-up measures are implemented. Hyundai E&C plans to continue fostering a transparent value chain ecosystem by supporting suppliers in risk management and improvement.

▲ Results of the 2025 Value Chain Human Rights Assessment (Unit: Number of Suppliers(suppliers), Percentage (%))			
Category	Number of Suppliers	Percentage	Details
Risk Assessment	42	100	Suppliers participating in Supplier Human Rights Risk Management among Tier 1 Significant Suppliers
Risk Identification	2	4.8	Tier 1 Significant Suppliers where negative Impacts were identified
Risk Mitigation	2	100	Corrective actions implemented and improvements encouraged; Registration revoked if no improvement is made

c Business Relationship Risk Assessment

Hyundai E&C has established a ‘Core Business Risk Monitoring’ system to manage economic, social, and cultural risks arising from business expansion, such as entering new markets and investing in joint ventures. The company identifies key risks and establishes response plans from the initial feasibility study and contract award review stages. In 2025, following contract award reviews for a total of 32 projects, the company has established and is currently implementing risk mitigation and avoidance measures for the four projects where risks were identified. Hyundai E&C plans to continue thoroughly managing risks throughout the entire business process to strengthen its foundation for business execution in the global market.

▲ Results of the 2025 Business Relationship Risk Assessment (Unit: Number of projects(projects), Percentage (%))			
Category	Number of Projects	Percentage	Details
Risk Assessment	32	100	100% of the projects pursued
Risk Identification	4	12.5	Review and identification of potential risks
Risk Mitigation	4	100	Development of risk mitigation and avoidance measures

d Sales Management Risk Assessment

Hyundai E&C conducts information security vulnerability assessments as part of the sales management risk assessment. In 2025, the company performed vulnerability assessments on 3,360 items and identified 129 vulnerabilities, accounting for 3.8% of the total. For the identified vulnerabilities, the company implemented corrective measures, including the application of enhanced encryption algorithms and the correction of system error pages.

▲ Results of the 2025 Information Security Vulnerability Assessment (Unit: Vulnerabilities (cases), Percentage (%))			
Category	Number of Vulnerabilities	Percentage	Details
Risk Assessment	3,360	100	Mock Hacking items based on the Group Security Guidelines
Risk Identification	129	3.8	Vulnerabilities in encryption algorithms, exposure of sensitive information, etc.
Risk Mitigation	129	100	Application of enhanced encryption algorithms, correction of system error pages, etc.

Labor Rights Protection Activities

Hyundai E&C operates various programs to ensure labor rights. In terms of compensation, in accordance with the fair compensation policy, the company adheres to the principles of paying an adequate wage sufficient to cover basic living expenses and ensuring equal remuneration for men and women in all countries where the company operates. In particular, the company regularly monitors the gender pay gap to establish an equitable compensation system. Additionally, the company systematically manages working hours, including overtime, through its attendance management system, and pays overtime compensations as stipulated in contracts when overtime occurs. Regarding working conditions, the company maintains a mutually beneficial labor-management relationship by regularly communicating with employee representatives and establishing conditions based on mutual agreement. The company also encourages employees to take paid leave through initiatives such as the annual leave promotion system. In addition to national social support programs, the company provides various welfare programs, including medical expense assistance, family care leave of absence, workplace daycare centers, and maternity and parental leave exceeding statutory standards. Furthermore, to respond to rapidly changing external environments such as advances in industrial technology and climate change, the company provides retraining for its employees to minimize negative impacts and support the creation of new opportunities. Through these efforts, the company is laying the foundation for employees to maintain competitiveness and lead stable lives.

Own Workforce ESRS-S1

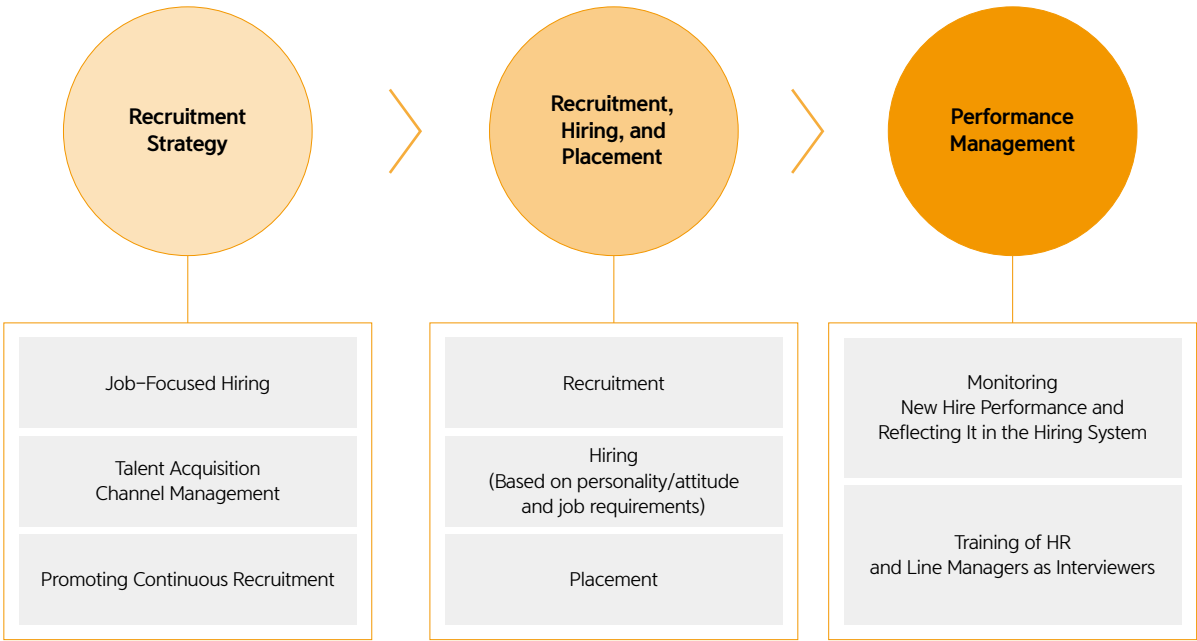
Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Recruitment

Hiring the Right People

In the construction industry, which relies heavily on human resources, securing top talent is key to a company’s competitiveness. Hyundai E&C is establishing clear job competencies with the goal of selecting the “Right People”—individuals who possess both job suitability and the ability to contribute to the organization. By establishing a virtuous cycle of human resources management—from recruitment strategy development to recruitment, selection, placement, and performance management—the company is actively promoting the diversification of recruitment processes and the expansion of continuous recruitment.



Global Talent Recruitment

Hyundai E&C is expanding its recruitment of global talent with diverse nationalities and expertise to support global business expansion and secure future growth engines. In particular, the company is recruiting international graduates of Korean universities who are proficient in the Korean work environment and language, thereby enhancing organizational diversity and strengthening its capabilities to execute global business. Following the recruitment of 16 international students in 2025, the company hired 11 more in the first half of 2026 and aims to secure a total of 26 such hires annually. The selected candidates are assigned to the headquarters and domestic and international sites to perform tasks such as executing overseas projects, communicating with local stakeholders, and managing global collaboration frameworks. Moving forward, the company plans to strengthen the market competitiveness by securing outstanding global talent in line with the expansion of its business portfolio.

Talent Development

Cultivating Innovative Challenger

Hyundai E&C is focused on cultivating “Innovative Challenger”—construction leaders who pioneer the future based on creative perspective, a sense of ownership, and the drive to push beyond limits. To this end, the company operates customized job training and a strategic job rotation system to support the enhancement of individual expertise, while fostering global competencies through global language programs and training at leading overseas institutions. In addition, the company encourages voluntary competency development among the Own Workforce by providing various educational opportunities, such as online job training courses available for continuous learning, support for obtaining professional certifications, and special lectures on the latest global trends.

▲ Hyundai E&C Talent Philosophy: “Innovative Challenger”

Value Creator	Synergy Builder	Global Developer
A talent who creates new value by meeting challenges head-on, not resting on their laurels, and utilizing their creativity	A talent who creates synergy through cooperation and communication with diverse stakeholders	A talent who can realize their potential on the global stage, driven by a global perspective, openness and understanding of diversity

Human Rights Education

Hyundai E&C is embedding human rights management through human rights education for the entire Own Workforce. Every year, the company conducts training on preventing workplace harassment and sexual harassment, as well as disability awareness training, to deepen understanding of human rights and diversity and enhance sensitivity to human rights issues.

▲ Status of Human Rights Education Implementation in 2025

	Category	Training Content	Target Audience
Mandatory Training	Workplace Harassment Prevention Training	Promoting a culture of mutual respect and providing guidance on follow-up procedures in the event of harassment incidents	Entire Own Workforce
	Workplace Sexual Harassment Prevention Training	Training on gender equality and respect (prohibition of discrimination), sexual harassment prevention methods, and response procedures	
	Disability Awareness Training	Training on addressing misconceptions and prejudices regarding people with disabilities and methods for interacting with them	

Own Workforce ESRS-S1

Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Talent Development

Diversification of Own Workforce Training

Hyundai E&C provides diversified competency-building programs—including leadership development, organizational culture, digital transformation, and career transition support for retirees—to entire employees, including contractual and part-time employees. Aiming to cultivate innovative talent that will lead the future in a rapidly changing global environment, the company is establishing a systematic leadership pipeline and operating differentiated training programs designed to strengthen leadership and job competencies in alignment with the worker’s career stages. In particular, the company conducts customized leadership training for newly appointed team leaders, group heads, and division unit heads to help them internalize the core competencies necessary for organizational management. The company also supports tailored competency development through mandatory job-specific training designed for each job category and rank. Specifically, in the fields of design, construction, and quality management, the company enhances expertise through collaboration with its dedicated training institution, the Technical Training Institute. To secure the highest level of technical expertise, the company encourages employees to obtain Professional Engineer (PE) certifications. In addition to providing online courses and certification grants, the company supports continuous professional development by offering Professional Engineer CPD programs in collaboration with the Korean Professional Engineers Association even after certification is obtained. In 2026, the company expanded its training curriculum—covering language skills, certifications, and job competencies—through its internal training platform, “Growing Together,” and introduced new programs reflecting the latest technology trends, such as AI-based learning and work automation. Furthermore, by incorporating “Growing Points”—earned through training completion—into manager evaluations, the company is establishing a virtuous cycle where leaders make tangible contributions to enhancing their team members’ capabilities.

▲ 2025 Own Workforce Competency Development Programs

(Unit: programs)			
Category	Training Categories	Learning Method	Number of Programs
Common Core Values	Legally Required	Lectures, e-Learning	5
	New Employee Training	Lectures, Sessions, and Workshops	7
	New Growth / Fourth Industrial Revolution / Digital Transformation	Lectures and Sessions	136
	Ethics / Compliance	Lectures, Sessions, e-Learning	1
	General Education and Corporate Culture	Lectures, Sessions, and Workshops	301
Global	Global Culture	Seminars, Team Building/Networking	39
	English	Self-directed learning, e-Learning	106
	Second Foreign Language	Self-directed learning, e-Learning	22
Leadership	Executive Programs	Workshops and Seminars, Team and Networks	11
	Level-Based Leadership	Coaching and Mentoring, Team and Networks	458
	Executive Leadership	Coaching and Mentoring, Team and Networks	9
Job	Construction Certifications	Practical Training and Field Experience	59
	Work Type / Technical Skills	Practical Training and Field Experience	184
	Basic Job Competencies	Coaching, Mentoring, and Workshops	96
	Job Training	Practical Training and On-the-Job Experience, Coaching and Mentoring	137
	Quality / Safety	Lectures and Sessions, On-site Experience	147
Total			1,718

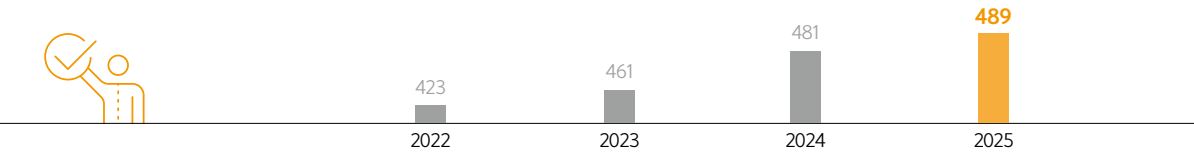
On-site R&D Training

To proactively respond to global technological changes, Hyundai E&C is expanding international joint research and strengthening strategic cooperation with leading overseas institutions and project owners. In particular, in the Small Modular Reactor (SMR) sector, based on an agreement with U.S.-based Holtec International, the company has dispatched specialized personnel to nuclear decommissioning project sites. The dispatched personnel participated in the entire nuclear power plant decommissioning process—including reactor cutting, spent fuel management, and process management—thereby enhancing their expertise across the entire nuclear lifecycle. Furthermore, by providing R&D personnel with the latest construction technology trends and professional development opportunities, the company is generating tangible results such as improved quality, cost reduction, and shorter construction schedules. In addition, the company is optimizing processes by carrying out various on-site technical projects, including wind load reviews for optimal exterior design and the calculation of KPIs for each section of mechanized tunneling (TBM) work. In particular, to actively apply BIM (Building Information Modeling)-based sustainable design technologies—which prevent clashes before construction and minimize resource waste through 3D modeling—the company is conducting on-site, customized training related to these technologies. As a result of these R&D activities, the number of patents registered in 2025 reached 63, a 43.2% increase from the previous year, broadening opportunities for the commercialization of patented technologies.

Operation of the Technical Training Institute

Hyundai E&C operates a Technical Training Institute to respond to the rapidly changing global construction market and cultivate professionals with field-oriented practical skills. The institute focuses on developing technical competencies applicable in the field through specialized curricula that combine theoretical and practical learning. The Institute leads the way in advanced construction technology education by offering 11 specialized training programs designed with support from the Ministry of Employment and Labor and the Ministry of Land, Infrastructure and Transport, covering areas such as BIM construction management, smart safety, and smart cities. Furthermore, the Institute contributes to securing talent for the construction industry by connecting graduates who have completed more than 80% of the curriculum with employment opportunities at Hyundai E&C, Hyundai Engineering, major Suppliers, and other firms in the same industry.

▲ Number of Technical Training Institute Graduates



Strengthening Global Competence

Hyundai E&C operates a variety of English training programs to enhance the global competencies of own employees. Through one-on-one English tutoring sessions for employees, the company provides personalized English learning tailored to each individual’s level. In 2025, the program was offered to 33 executives, demonstrating tangible results such as an average improvement of 6 points in English scores compared to pre-program assessments. Additionally, the company has newly introduced the “English Lab,” which utilizes resident English instructors to support the entire workers in strengthening their global competencies. The English Lab is an in-person training program designed to improve practical communication skills, focusing on providing hands-on training that can be immediately applied in the workplace. To enable the workers to study while working, the company has established a flexible operational system tailored to various time slots, thereby increasing accessibility and convenience. The company is also enhancing participation and learning engagement through small-group classes. In 2025, approximately 130 members of the employees completed the program across 35 classes, strengthening their global communication capabilities.

Own Workforce ESRS-S1

Risk Management

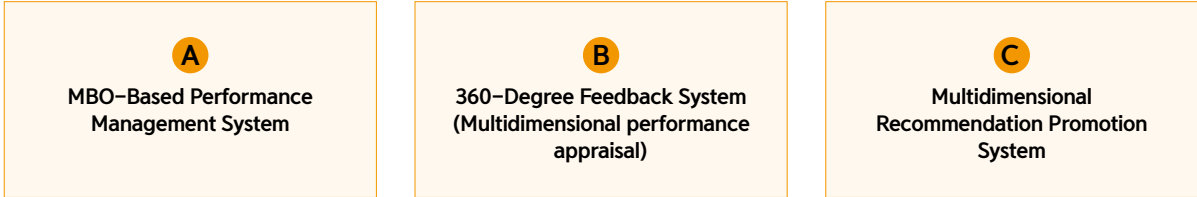
Actions to Create Significant Opportunities for the Own Workforce

Performance Evaluation and Rewards

Compensation and Incentives

Hyundai E&C has moved away from seniority-based practices and operates a fair promotion and compensation system based on individual capabilities and performance. By assessing job suitability and organizational contributions, the company provides high-performing employees with opportunities for early promotion. In particular, to enhance the effectiveness of performance management, the company conducts biannual performance evaluations for managers in the first and second halves of a year. This shortens the performance measurement cycle and establishes a virtuous cycle of HR management—from evaluation to feedback to compensation. Additionally, the company has refined its compensation system by segmenting the compensation bands to ensure that employees who create substantial value receive fair and justified recognition.

▲ Performance Evaluation, Multi-Source Assessment, and Promotion System



A MBO-Based Performance Management System

Hyundai E&C operates the performance management system through an MBO (Management by Objectives)-based HR system. The company aligns the goals of the organization with those of its members by conducting team leader evaluations that reflect team-based performance alongside individual performance evaluations. Furthermore, the company enhances acceptance and trust in the system by transparently sharing evaluation results and information on each stage of the promotion review process with employees. When setting goals at the beginning of the year, the company ensures thorough discussions between managers and members of employees and has adopted an Agile communication approach that emphasizes ongoing dialogue and regular feedback. This provides operational flexibility, allowing us to adjust goals in the second half of the year in response to changes in the business environment. In 2025, the company conducted performance evaluations for all 6,365 members of employees, including contract workers, excluding new hires.

▲ MBO Evaluation System



B 360-Degree Feedback System

Hyundai E&C operates a “360-degree feedback system” to assess the own workforce’s competencies from multiple angles and promote leadership improvement. The system objectively evaluates leadership levels from various perspectives—including supervisors, peers, and collaborating departments—and provides personalized feedback based on the assessment results, giving individuals an opportunity to identify and address areas for improvement. In particular, the company has established a procedure to re-examine results in cases where a leader receives excellent peer evaluations but a low performance rating, thereby eliminating blind spots in the evaluation process and enhancing the system’s effectiveness. Furthermore, the company actively utilizes the assessment results in HR management to motivate outstanding leaders through rewards and, when necessary, reassign leaders, thereby establishing a virtuous cycle in organizational operations.

▲ Participation Status in the 2025 Performance Evaluation and 360-Degree Feedback

Category		Target	Own Workforce Evaluation Rate
MBO-Based Performance Management System		Regular and contract employees, excluding new hires	100
360-Degree Feedback System (Multidimensional performance appraisal)	Leadership Assessment	Managers with 4 or more team members	100
	Peer Review	Non-managerial employees who joined before July	100

C Multidimensional Recommendation Promotion System

Hyundai E&C operates a multidimensional recommendation promotion system that combines self-recommendations and peer recommendations to identify and promote top talent early. For candidates in the top 10% of promotion scores, promotion is confirmed without a separate screening process, institutionalizing early growth opportunities for outstanding talent. The company is preparing to overhaul its evaluation system to go beyond simple result-oriented performance measurement and instead measure and reflect the value of “mutual contribution” and “collaboration” in the process of achieving results. By incorporating organizational contributions that are not fully captured by quantitative performance metrics into the evaluation framework, the company plans to enhance the validity of evaluation results and improve employee acceptance.

Own Workforce ESRS-S1

Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Performance Evaluation and Rewards

Good Leader 360° Review

Hyundai E&C is implementing the “Good Leader 360° Review” to enhance the leadership capabilities of headquarters team leaders and site managers, thereby boosting organizational competitiveness. The company conducted a 360-degree assessment involving supervisors, team members, and collaboration partners for approximately 360 leaders. Based on the analysis of the assessment results, the company provided individual feedback and tailored training to help leaders self-assess and improve their capabilities. High-performing leaders are recognized with awards to encourage leadership development, and leaders are reassigned as needed to foster a virtuous cycle in organizational operations. In 2026, the company plans to refine its evaluation and analysis system to enhance the effectiveness of leadership improvement and strengthen motivation within the organization.

▲ Good Leader 360° Review Process



Ad Hoc Awards System

To encourage employees who have achieved outstanding performance in various areas, including cost reduction, technological innovation, and corporate culture fostering, Hyundai E&C operates a comprehensive reward system, presenting a total of 63 awards throughout 2025. The detailed award categories include “Technological Innovation” to encourage the development of new technologies and methods; “Sales Merit” to enhance rewards for sales performance; “Cost Improvement (Project Execution & Value Engineering Excellence)” for contributing to maximizing profitability and operating profit; and “System Improvement” to drive operational efficiency and productivity. Furthermore, the company not only recognizes employees who contribute to spreading an exemplary corporate culture but also enhances the effectiveness of its rewards by concurrently operating a “Spot Reward System” that immediately rewards achievements with significant company-wide impact or high urgency. In addition, to expand the sales of sustainable products and services, related orders secured are linked to the sales incentive framework. As of 2025, the Building & Housing Works Devision has provided incentives to 24 sales professionals who contributed to securing orders for new buildings that meet the EU Taxonomy Eligibility criteria, such as urban renewal sales, thereby enhancing executive power for expanding sustainable products and services.

▲ Status of Ad Hoc Awards for 2025

(Unit: cases)

Award Category	Number of Awards in 2025
Technological Innovation	4
Sales Merit	5
Cost Improvement (Project Execution & Value Engineering Excellence)	22
System Improvement	13
Corporate Culture Development	17
Spot Rewards	2
Total Number of Awards	63

Long-term Incentives

Each Hyundai E&C construction site undergoes a comprehensive evaluation of its operational performance over a 3- to 5-year period, and workers who have worked at sites recognized for excellence upon completion are regularly awarded long-term cash performance bonuses. This evaluation covers all members of the employees, including executives, and comprehensively measures the level of site goal achievement by reflecting various items such as site compliance with laws and regulations, energy savings targets, and the application of green environmental systems, as well as process management, quality management, safety management (accident rate, safety inspections), and profit-and-loss improvement indicators. Based on the comprehensive evaluation results, each site is classified into Grade S (90 points or higher), Grade A (80 points or higher), or Grade B (60 points or higher). For outstanding sites that achieve a Grade B or higher, incentives are provided after additionally considering factors such as profit-and-loss improvement performance. In 2025, performance bonuses were paid to 42 members of the own workforce.

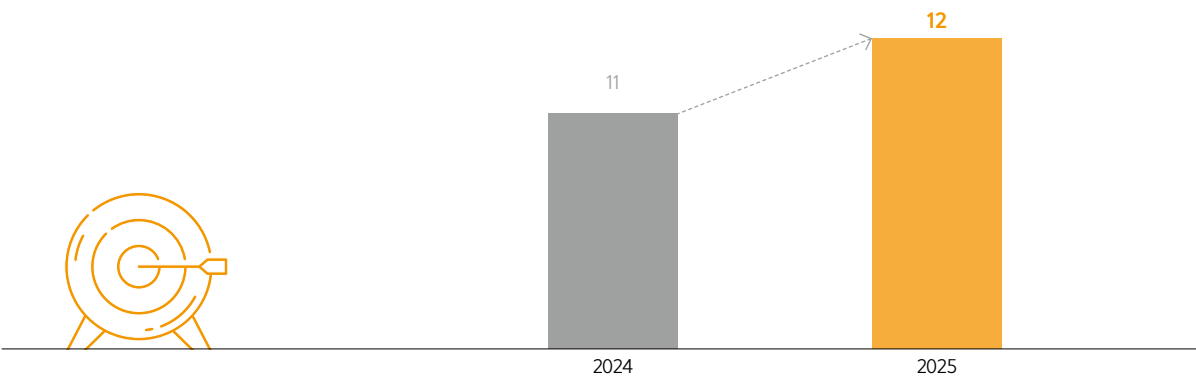
Support for Retirees

Support for Second-Career Planning

To help retiring employees successfully transition into society, Hyundai E&C operates customized outplacement support programs. The company provides specialized consulting optimized for individual goals—including re-employment, entrepreneurship, life planning, and AI utilization training—for employees aged 50 or older with at least one year of continuous service who are scheduled for retirement. To enhance accessibility across domestic project sites, a total of 90 online live courses are currently operational. In addition, professional financial consultants are matched with those who request it to support comprehensive wealth management services covering finance, real estate, and taxation. In particular, through 1:1 consultations with professional consultants, the entire process from self-diagnosis to practical career transition activities is fully supported. As a result, a significant milestone was achieved in 2025, with 12 out of 20 participants successfully transitioning their careers. Furthermore, the company operates a retirement pension system to ensure stable post-retirement living for its employees. Regular training is conducted for enrolled employees to deepen their understanding of pension assets and to help them establish a secure economic foundation after retirement.

▲ Number of Retired Employees Who Successfully Transitioned to New Careers

(Unit: persons)



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Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Work-Life Balance

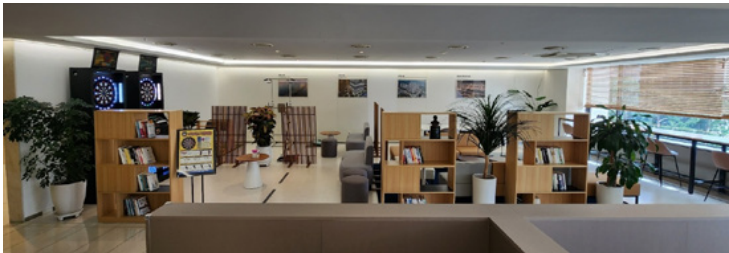
Smart Work System

Flexible Work Environment

Hyundai E&C is building a flexible work environment by introducing a smart work system that allows workers to autonomously choose their working hours and locations. In terms of working hours, the company operates various flexible work systems, such as flexible working hours and staggered start times, to enhance work efficiency. Regarding work locations, the company has implemented a hybrid work system that combines remote work with the use of hub offices in the Seoul metropolitan area (Daelim Technical Training Institute and Mabuk Technical Research Center). Furthermore, through the Smart Office Project launched in 2025, the company is introducing focus workstations and height-adjustable desks that workers can choose based on the nature of their work and individual needs, thereby providing an optimal space for workers to focus.

Employee Break Rooms

Hyundai E&C is continuously expanding its welfare infrastructure to create a healthy work environment for own employees. In 2024, the company renovated its in-house lounge and opened the “Refresh Zone,” a multipurpose relaxation space. Equipped with five types of exercise equipment for stretching, an electronic dart machine, and a lounge area, the Refresh Zone helps employees relieve stress and recharge both physically and mentally. Additionally, as part of the Smart Office Project, the company is expanding and establishing new break rooms within each office. In particular, by incorporating feedback from actual users to introduce coffee machines, lounge furniture, and single-user exercise equipment, the company is creating an environment where employees can take breaks during work.



Refresh Zone



Lounge

Childcare Support System

Customized Childcare Programs

Hyundai E&C operates customized childcare programs tailored to different life stages to support employee’s work-life balance. In 2025, the company provided a total of KRW 73 million in medical expenses to 49 employees requiring infertility treatment to support childbirth. Furthermore, the company is alleviating the childcare burden for employees with young children by installing on-site lactation rooms and operating the “Hyundai Dasom Daycare Center” through a professional outsourcing model. In addition, the company provides support tailored to each stage of a child’s development by offering childbirth congratulatory payments, Children’s Day gifts, school enrollment congratulatory payments, and educational funding for children.

Leave and Leave of Absence Systems

Employee Leisure and Recreation

Hyundai E&C operates 25 dedicated recreational facilities nationwide to support work-life balance and rest for employees. Eligible workers can use these facilities for a 4-night, 5-day stay by utilizing welfare points, while employees with less than three years of working—who are not eligible for welfare points—are provided with a separate opportunity for a free 2-night, 3-day stay each year. In 2025, in addition to existing recreational facilities such as Resom Resort, the company secured additional camping and glamping facilities—which are highly preferred by the workers—to broaden the range of vacation options.

Health and Wellness Support Programs

Health Support for Employees and Their Families

Hyundai E&C operates practical health support programs to promote the well-being of employees and their families. The company provides annual health screenings for employees and their spouses, and has expanded the scope to allow employees to transfer their spouse’s screening opportunity to other family members. As a result, as of 2025, the company has provided health screening services worth approximately KRW 2.9 billion to a total of 8,610 people. The company also improved its group accident insurance program to include the workers and their families (spouses and children) and increased the coverage amount. In particular, by offering employees the option to choose personalized insurance products—such as indemnity, fixed-benefit, dental, and driver insurance—the company provided insurance benefits worth KRW 2.35 billion to a total of 18,291 people in 2025. Furthermore, the company provides “Comprehensive Overseas Safety Management Services” not only to members of Headquarters but also to overseas employees and business travelers from suppliers, thereby minimizing safety and health risks for both its employees and those of its Suppliers. In addition, the company encourages employees to manage their health in their daily lives through the operation of an in-house sports center and health stairs, as well as the provision of sportswear.

Employee Wellness Program

Hyundai E&C operates an Employee Assistance Program (EAP) to support the psychological well-being and quality of life of employees. This program supports the workers in resolving daily challenges—such as work-related stress, interpersonal relationships, and family issues—through various channels, including one-on-one counseling with professional counselors, an online counseling forum, and self-assessment tools. The company aims to create an environment where anyone can receive psychological support without hesitation and plans to further enhance these services to protect the emotional well-being of the employees.

One-Day Class

To promote employee refresh and well-being, Hyundai E&C operates a variety of one-day classes. In the first half of 2025, hobby-focused activities such as wine sommelier and coffee barista classes were conducted. In the second half of the year, health-oriented classes for body alignment, including yoga/meditation and core setup, were held. Following the completion of each program, the company assesses satisfaction through employee surveys, and highly preferred courses will continue to be offered and operated in 2026.



Coffee Barista Class



Posture Correction Class

Own Workforce ESRS-S1

Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Work-Life Balance

Hyundai E&C operates a variety of employee benefit programs for its own employees.

▲ Key Employee Benefit Programs

Category		Details
Smart Work System	Flexible Work Hours System	Flexible Operation of working hours on a 2-week basis for headquarters, branches/subsidiaries, and domestic sites, and on a 3-month basis for overseas sites
	Staggered Work Hours System	Operation of 13 flexible arrival windows at 15-minute intervals between 07:00 and 10:00 for headquarters, and autonomous shift scheduling for project sites based on local conditions
	Part-Time Work System	Operation of part-time and flexible daily schedules, including 4-hour and 5-hour shifts
	Working-from-home System	Provision of Working-from-home options for employees who apply for work-from-home arrangements
	Hub Office Operation	Creation of a hybrid work environment through the operation of satellite offices across the Seoul metropolitan area
Childcare Support System	Family Day Shortened Work Hours	Implementation of biweekly shortened working hours on Fridays for the head office and domestic sites
	Operation of a Workplace Daycare Center	Provision of high-quality childcare through the operation of an on-site daycare center
	Congratulatory Payment Support	Support for congratulatory grants for employees' children, including births, school admissions, and Children's Day
	Tuition Assistance	Support for tuition fees for employees' children up to high school and university levels
	Reduced Work Hours During Pregnancy	Eligibility for up to 2 hours of reduced daily working hours for employees within the first 12 weeks or after 32 weeks of pregnancy
	Reduced Work Hours During Child-Rearing	Eligibility for reduced working hours (minimum 15 to maximum 35 hours per week) for up to 1 year
	Parking Assistance for Pregnant Employees	Provision of pregnant employee parking zones and financial support for parking fees
	Maternity Leave	Provision of 90 days of paid maternity leave for female employees (Statutory standard: 90 days) Provision of 20 days of paid paternity leave for male employees (Statutory standard: 20 days)
	Parental Leave	Provision of 12 months (52 weeks) of paid parental leave for female employees (Statutory standard: 12 months) Provision of 12 months (52 weeks) of paid parental leave for male employees (Statutory standard: 12 months)
	Infertility Treatment Leave	Provision of up to 6 days of leave per year (with the first 2 days paid) and financial support for fertility treatment costs
Leave and Leave of Absence System	REFRESH Leave	Provision of paid sabbatical leave for up to 3 months for self-development or rejuvenation
	Family Care Leave	Allowance of up to 10 days of leave utilization per year
	Family Care Leave of Absence	Allowance of up to 90 days of leave of absence utilization per year
	Onboarding Support Leave	Paid leave provided once in the first half and once in the second half of each year for the first two years of employment
	Overseas Assignment Leave	Provision of overseas assignment leave, regular vacation, and repatriation leave
	Support for Use of Company Resorts and Glamping Facilities	Operation of support programs for utilizing employee resort facilities and camper vans
Health and Wellness Support Programs	Health Screening Service	Execution of regular health screenings for employees and their spouses (including family members)
	Group Accident Insurance	Expansion of group accident insurance coverage for employees, spouses, and children
	Comprehensive Overseas Safety Management Services	Support for safety management services—including medical, security, and psychological counseling—for overseas business travelers and personnel (including partners)
	Employee Wellness Program	Support for professional psychological counseling and coaching services up to 6 times annually for employee mental well-being
	One-Day Posture Correction Class	Operation of posture correction classes, such as yoga, meditation, and core setup
	Operation of an On-Site medical clinic and Lactation Room	Operation of an on-site medical clinic staffed by professional nurses, including an internal lactation room

CASE

Family-Friendly Certification and Work-Life Balance Campaign

Hyundai E&C actively participates in relevant external certifications and campaigns to support work-life balance for own employees. Since first obtaining the “Family-Friendly Certification” administered by the Ministry of Gender Equality and Family in 2014, the company has been recognized for the family-friendly corporate culture through four re-certifications. Building on this foundation, the company is strengthening its institutional framework to support members of the workers and their families, including childbirth and child-rearing support, as well as the implementation of flexible work arrangements. Since 2019, the company has consistently participated in the “Work-Life Balance Campaign” organized by the Ministry of Employment and Labor. The company views these certifications and campaign participation as more than the mere implementation of systems; the company strives to create a work environment that simultaneously enhances the work engagement and quality of life of the workers.



Own Workforce ESRS-S1

Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Promoting Diversity and Communication

▲ Hyundai E&C Corporate Culture



Focused on happiness

We aim to cultivate a people-centered corporate culture where the top priority is placed on our employees and customers.



Free and flexible

We aim to establish a free and horizontal culture that breaks away from the conventional corporate culture of rigid bureaucracy.



Based on mutual respect

We aim to create an open and diverse culture where all our members carefully listen to and empathize with each other.

Operation of Labor-Management Consultation Channels

Hyundai E&C fully guarantees employees’ freedom to join or leave labor unions in accordance with the Trade Union and Labor Relations Adjustment Act, and collective agreements. Through regulations prohibiting interference with union membership or coercion to withdraw, the company is building a labor-management relationship centered on trust. As a result, as of December 2025, the company maintains a 100% collective bargaining agreement coverage rate for all eligible employees, excluding executives. In particular, regarding wages and benefits, the company concludes reasonable agreements through thorough consultation between labor and management and focuses on substantially improving the work environment through the “Work Environment Improvement Committee.” Recently, the company has also implemented infrastructure improvements to create a pleasant workspace, such as enhancing the functionality of the shared lounge at the headquarters. Moving forward, The company aims to enhance the work engagement of own employees through smooth labor-management communication and continuous welfare improvements, while solidifying a collaborative culture that enables mutual growth between labor and management.

Respect for Nationality and Cultural Diversity

To strengthen its global competitiveness, Hyundai E&C hires top talent from diverse nationalities and operates a support system to help them adjust and settle in smoothly. In particular, to assist foreign employees in adapting, the company regularly gathers feedback and listens to their concerns, using this input to refine relevant policies. In 2025, the company strengthened emotional bonds by conducting a total of four Korean cultural experience programs for 17 foreign members of the workers and their families, including visits to drive-in theaters and attending national soccer team matches. At overseas sites, the company is also enhancing cultural understanding and expanding channels of communication through suggestion boxes, representative meetings, and customized training. In particular, organizations with a high proportion of foreign employees are focusing on creating a work environment that respects diversity by prioritizing the establishment of an English-based business communication environment and providing dedicated cultural experience programs.

Fostering a Culture of Intergenerational Cooperation

Hyundai E&C, where diverse generations coexist, is breaking down generational barriers and fostering a culture of cooperation based on mutual understanding. In particular, the company regularly holds CEO roundtables for new hires, providing opportunities for direct communication between management and working-level employees. This helps build organizational cohesion and foster intergenerational empathy. During these sessions, participants share their experiences and visions through open Q&A sessions, building a foundation for harmonious cooperation that bridges generational gaps. Additionally, the company operates new employee mentoring programs, level-based workshops, and customized training to promote communication among diverse groups and strengthen organizational cohesion.



CEO Roundtable



New Employee Mentoring

Own Workforce ESRS-S1

Risk Management

Actions to Create Significant Opportunities for the Own Workforce

Enhancing Corporate Culture

Care Program for Overseas Workers: “Warm Delivery”

Hyundai E&C operates “Warm Delivery,” a family care program for members of the employees stationed overseas who are separated from their families. This program supports family events that employees find difficult to attend to themselves. In 2025, the company fulfilled 55 requests—including surprise Christmas visits, attending children’s school entrance ceremonies on behalf of employees, and inviting families to the headquarters office—providing emotional fulfillment to both employees and their families.



Care Program for Overseas Workers: ‘Warm Delivery’

Hyundai E&C YouTube Channel Operations

Hyundai E&C YouTube Channel

Hyundai E&C is strengthening communication centered on own employees by integrating its corporate culture YouTube channel, “Gye-dong 75,” with the official Hyundai E&C YouTube channel. In 2025, the company produced a total of 96 videos, recording approximately 2 million cumulative views. Key content includes “Secrets of Hyundai E&C,” where employee directly showcases the technical capabilities and expertise; “9seok 9seok Hyun-geon Log,” which captures the daily lives and work of employees at overseas sites; “75MHz: Podcast,” where experts share various construction insights; and “INSIDE Site,” which introduces on-site projects and technical capabilities. These videos have become a communication platform based on voluntary participation by employees and are used as part of efforts to foster a flexible corporate culture and implement human resource management that respects diversity.



Secrets of Hyundai E&C



9seok 9seok Hyun-Geon Log



75MHz: Podcast



INSIDE Site

CASE

2025 New Corporate Culture Slogan: “The One”



Corporate Culture Slogan: “The One”

“The One”: A Corporate Culture Slogan for Stronger Unity and a More Desirable Workplace

Hyundai E&C has announced “The One” as the new corporate culture slogan for 2025 to strengthen employee cohesion and create a “workplace where people want to work.” The slogan reflects its aspiration to become a more desirable workplace for employees, while also conveying its commitment to becoming the united team and the one-and-only trusted company and expert for customers. To embed the values of this slogan into the workplace, the company is conducting “The One On-Site Seminars”—communication sessions tailored to each organizational unit—and hosting “The One Sports Festival,” a special program for the company’s anniversary. Through these and other initiatives, the company is working to build company-wide consensus and strengthen unity.



The One On-Site Seminar

“The One” On-Site Seminar

Hyundai E&C held the 2025 “The One” On-Site Seminar to strengthen team cohesion and enhance work engagement among the workers. Taking construction phases into account, the company implemented a customized program across 50 sites, excluding those nearing completion or in their early stages. The seminar strengthened work efficiency by fostering mutual understanding through training on communication methods tailored to different personality types. Additionally, participatory programs such as team merchandise-making and team-building activities were conducted to enhance communication and solidarity among site members.



The One Sports Festival

Anniversary Event: The One Sports Festival

Hyundai E&C held a founding anniversary event to strengthen organizational cohesion and foster camaraderie among the workers. To commemorate the company’s 78th anniversary in 2025, the company organized an inter-division volleyball tournament as part of “The One Sports Festival” and expanded participation to include a video mission challenge and a golf long-drive challenge, open exclusively to project site-based workers. In particular, the company strengthened company-wide solidarity by live-streaming all matches on YouTube and producing and sharing videos of successful mission moments.

Own Workforce

ESRS-S1

Metrics and Targets

Metrics

Employee Engagement Survey Results

Since 2017, Hyundai E&C has conducted an engagement survey for the entire employees to assess the health of its organizational culture. The 2025 survey covered a wide range of topics, including satisfaction with individuals, the organization, and the company, as well as employees’ job experiences, motivation, alignment with the organization’s direction and goals, happiness, and stress management, to identify the factors necessary for effective job performance. Based on the engagement survey results, the company identified teams requiring in-depth diagnosis, listened to on-site challenges through one-on-one interviews, and implemented relevant measures. As of 2025, a total of 4,384 workers participated, recording a high participation rate of 80.9%, and the average engagement score for the workers reached 76.9 points, continuing to indicate high engagement levels.

▲ Results of the 2025 Employee Engagement Survey¹⁾

(Unit: Participation Rate (%), Other Indicators (points))

Category		2023	2024	2025
Employee Participation Rate		82.7	86.7	80.9
Average		75.4	77.1	76.9
Job Level	Senior Manager	78.4	79.4	78.7
	Junior Manager	71.3	74.1	74.1
	Non-management	73.6	74.4	74.7
Gender	Male	75.8	77.5	77.3
	Female	68.1	69.7	68.3

1) Calculated for regular employees only

Employee Education and Training

Hyundai E&C is establishing a systematic leadership pipeline to foster global innovative talent. The company selects and develops key talent through competency training tailored to the characteristics of each job level and role, thereby continuously identifying leaders who will drive future growth.

▲ Employee Training Results

(Unit: Training hours (hours) Total Training Cost (KRW million), Average Training Cost per Person (KRW))

Category	2023	2024	2025
Total Training Hours	181,676	218,388	287,675
Total Training Cost	2,037	2,046	3,071
Average Training Hours per Person	25.53	30.55	41.68
Average Training Cost per Person	286,274	286,205	444,988

Targets

Female Employee Target

Hyundai E&C has established “Increasing the Proportion of Female employees by 2030” as a mid-to-long-term goal to ensure diversity within the organization and strengthen future competitiveness. To this end, the company plans to foster an inclusive organizational culture where female talent can fully demonstrate their capabilities and continuously strengthen its support system, from the recruitment to the development of outstanding female personnel.

▲ Female Employee Targets

(Unit: %)

Category		2024	2025	2030 (Target)
Job Level	Female Employee	11.05	10.82	14.18
	Total Managers	4.43	4.72	5.59
	Senior Manager	3.10	3.27	3.68
	Junior Manager	6.82	7.65	8.75
	Non-management	19.57	18.95	16.46
Division	Business Division	7.77	7.47	13.55
	Non-Business Division (General)	24.25	24.02	20.46
	Non-Business Division (STEM) ¹⁾	13.23	12.74	12.73

1) STEM: Science, Technology, Engineering, and Mathematics; technical departments such as design, estimating, and technology teams

Value Chain ESRS-S2

Governance

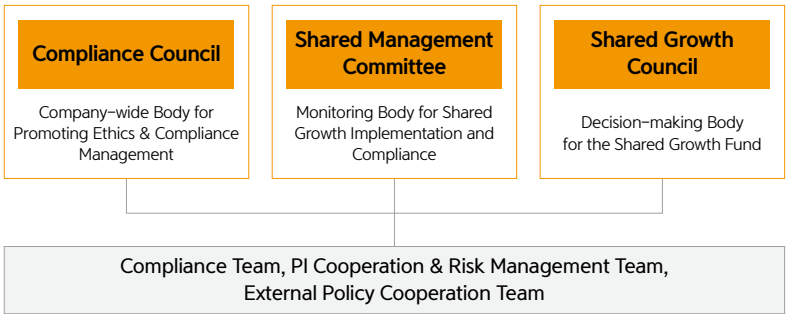
Value Chain Management System

To strengthen the foundation for win-win cooperation with suppliers and foster a culture of sustainable mutual growth, Hyundai E&C implements proactive supply chain management. The company conducts annual supply chain ESG evaluations to monitor the environmental, social, and governance practices of its suppliers, reinforced by on-site inspections to enhance the effectiveness of these assessments. Additionally, it offers tailored consulting services to individual suppliers to advance their supply chain management frameworks. To facilitate seamless communication and collaboration, monthly supplier roundtables are operated, alongside various support initiatives designed to build sustainable partnerships and drive joint growth. Crucially, the Sustainability Management Committee under the Board of Directors regularly receives updates on key company-wide issues related to suppliers and the supply chain. Furthermore, led by the Sustainability Steering Committee beneath the Committee, quarterly training is provided to procurement and relevant department personnel to continuously build supply chain ESG management capabilities. Recently, to transition from a functional focus to a product-centric paradigm and to respond swiftly to site-level issues through tailored procurement and outsourcing innovation strategies for each division, the Procurement Division was reorganized into the Procurement Innovation (PI) Division. Leveraging this organizational transformation, Hyundai E&C continues to refine its supply chain management framework to establish a stable and efficient supply chain.

Mutual Growth Promotion Framework

To promote fair trade and mutual growth, Hyundai E&C operates an integrated organizational system comprising the Compliance Council, the Shared Management Committee, and the Shared Growth Council. The Compliance Council serves as a company-wide body for promoting ethics and compliance management and managing corruption and bribery risks in subcontracting processes. The Shared Management Committee monitors shared growth implementation and compliance. It also reviews supplier contracts and payment matters. The Shared Growth Council reviews shared growth programs funded through the Shared Growth Fund. The company manages value chain risks and sustains shared growth with suppliers through this integrated framework.

▲ Mutual Growth Promotion Framework



Strategy

Shared Growth Strategy

Hyundai E&C has set “shared growth through cooperation” as the core objective to create sustainable value across the value chain and is pursuing initiatives to strengthen value chain competitiveness. To this end, the company operates a support system centered on five key areas, mutual growth, safety, quality, transparency, and new technologies, based on the “H-Together” declaration jointly established with its suppliers. The company operates a KRW 166 billion Shared Growth Fund to provide financial support. The company also implements programs to strengthen safety, quality, and ESG capabilities through consulting, recruitment, and employee welfare support. Additionally, the company is fostering a culture of shared growth through the H-Leaders program, which recognizes outstanding suppliers, and an awards program for high-performing suppliers. Going forward, The company will strengthen value chain competitiveness by expanding strategic procurement and enhancing tailored training and consulting support to foster 100-year suppliers.

H-Together	Program	Overview and Performance
Mutual Growth Share Together	- Financial Support - Educational Support - Recruitment Support - Employee Welfare Support	- Financial Burden Relief for suppliers through a KRW 166 billion Shared Growth Fund in 2025, providing loan interest subsidies and a 50% reduction in contract performance guarantees for excellent suppliers - Practical Training Programs and AR/VR-integrated safety experience education for supplier executives and employees on management, safety, quality, and ethics Provision - Supplier Executive Education and networking opportunities through the “ESG Construction Mutual Growth Executive Program” in partnership with the Graduate School of Construction Engineering at Chung-Ang University
Safety Safe Together	- Incentives for Excellent Safety Suppliers Expansion - Supplier Safety Manager Recruitment & Wage Support - Smart Safety Equipment Provision	- Stable Volume Procurement through KRW 1.1 trillion worth of strategic purchasing in 2025 for suppliers with excellent safety, quality, and project execution records Support - Supplier Safety Incentives through the operation of the H-Safety Wallet system Payment - Wage Support for dedicated safety personnel hired by SME suppliers for projects under KRW 10 billion that are exempt from statutory safety manager appointments - Site Safety Improvement through the deployment of body cams, clamshell automatic hazard detection systems, and AI video recognition equipment for jamming prevention
Quality Quality Together	- Smart Quality Management System - Training for Suppliers and Ongoing Quality Support - Quality Incentives for Suppliers	- Real-Time Site Inspection and automated periodic task notifications utilizing the mobile-based smart integrated inspection system “Q-Pocket” - Quality Competitiveness Enhancement through continuous quality support and provision of training materials for suppliers - Supplier & Worker Rewards for excellence in quality management
Transparency Clean Together	- Transparency training for supplier employees - Support for ESG consulting for suppliers - Operation of the Cyber Audit Office and H-Dudrim	- Sustainability Improvement through third-party expert ESG training, diagnosis, and consulting for suppliers across Environmental, Social, and Governance dimensions - Comprehensive Capability Education for suppliers on environmental management, waste control, human rights/labor risk reinforcement, and ethics/transparency Provision - Supplier Communication and grievance collection through the operation of the “H-Dudrim” integrated counseling channel
New Technologies Smarter Together	- Technology Expo (held biennially) - Support for open innovation and safety technology development - Technology Development Support	- Full R&D Funding, Site-Level Testing Verification, and Commercialization Opportunity Support for SMEs with Outstanding Technologies - Outstanding Technology Sourcing, Field Application Verification, and Development Resource Support for 21 Selected Suppliers in 2025 (Budget: KRW 143 million) - Technological Growth and competitiveness enhancement across the construction industry through the sharing of suppliers’ outstanding products and technologies

Value Chain ESRS-S2

Risk Management

Value Chain-related Policies

Supplier Code of Conduct

Supplier Code of Conduct

Hyundai E&C complies with global standards, including the 10 Principles of the UN Global Compact, the Building Responsibly Initiative, and International Labour Organization (ILO) conventions, and has established a “Supplier Code of Conduct” to build a sustainable supply chain. The Supplier Code of Conduct applies to all of Hyundai E&C’s suppliers and requires them to comply with applicable laws and regulations and establish exemplary management systems in various areas, including the prohibition of forced and child labor, compliance with working conditions, ensuring occupational safety and health, and the prohibition of discrimination and harassment. Furthermore, to establish a culture of transparent and fair transactions, the company conducts an annual transparency and ethics training for suppliers. In 2025, the company trained 814 suppliers, raising awareness of ethical management. Additionally, the company obtains written pledges from suppliers confirming compliance with the Code of Ethics and Supplier Code of Conduct. The company expressly requires compliance with the Supplier Code of Conduct in new contracts to systematically manage the supply chain and prevent purchasing practices from conflicting with ESG requirements.

▲ Key Provisions of the Supplier Code of Conduct

Business Ethics	Environment	Labor / Human Rights	Safety / Health	Management Systems
• Transparent Management and Anti-Corruption • Prevention of Conflicts of Interest • Fair Trade and Competition • Prevention of Counterfeit Parts • Information Protection	• Establishment of an Environmental Management System • Management of Energy Use and Greenhouse Gas Emissions • Water Resource Management • Air Pollutant Management • Waste Management • Chemical Management • Eco-Friendly Construction • Eco-Friendly Procurement • Resource Efficiency • Biodiversity • Prevention of Deforestation and Conservation of Land	• Non-Discrimination • Wages and Benefits • Working Hours Management • Humane Treatment • Freedom of Association • Prohibition of Child Labor • Prohibition of Forced Labor • Fair Recruitment	• Occupational Health and Safety Management System • Safe Management of Machines, Equipment and Tools • Emergency Preparedness • Accident Management • Safety Inspection • Product Safety Management • Health Management	• Company Statement Disclosure • Appointment of Social and Environmental Sustainability Management • Risk Assessment • Training and Communication • Information Management • Grievance Mechanisms for Advice and Concerns about Ethics • Management of Business Partners (Subcontractors) • Compliance of Supplier Code of Conduct

Supply Chain ESG Management Policy

Supply Chain ESG Management Policy

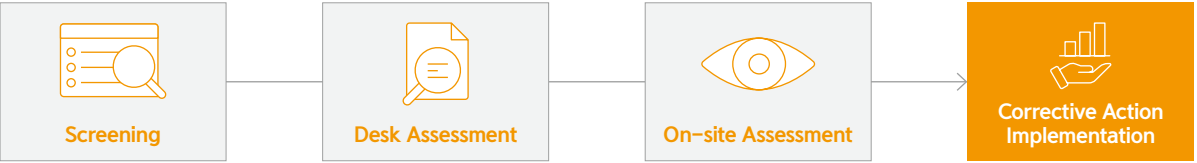
Hyundai E&C has established a Supply Chain ESG Management Policy aligned with international standards and global due diligence guidelines to manage risks within the value chain. All suppliers are responsible for managing environmental, social, and governance matters, and the company regularly reviews their management practices through an annual risk assessment process. The assessment is conducted through on-desk assessments and on-site assessments of high-risk suppliers. The company recommends that suppliers implement corrective actions identified through the assessment and continuously monitor their progress. If corrective actions are not adequately implemented, the company reflects this in its business relationships to maintain a stable supply chain.

Value Chain Monitoring Process

Supply Chain ESG Assessment

Since 2020, Hyundai E&C has been operating its own ESG assessment system to proactively prevent value chain risks and establish a sustainable value chain management framework. The assessment proceeds through four stages: Screening, desk assessment, on-site assessment, and corrective action implementation. The company assesses compliance with Hyundai E&C’s Supplier Code of Conduct. Currently, the company has classified 42 of its 238 Tier-1 suppliers as “Tier-1 Significant Suppliers” and manages them accordingly. These suppliers account for approximately 39% of total Tier-1 procurement spending, and the company systematically assesses ESG risks within the supply chain, focusing on Tier-1 significant suppliers.

▲ Supply Chain ESG Assessment Process



Supplier Screening

Hyundai E&C implements a supplier screening procedure to identify critical suppliers prior to conducting desk assessments and on-site assessments. Through this procedure, the company pre-evaluates the ESG compliance levels of its suppliers and drives substantial improvements by granting remediation periods for areas requiring corrective actions. In addition, suppliers failing to meet basic ESG requirements are excluded from contracting, while those with excellent ESG management capabilities are prioritized for supplier selection. The screening criteria encompass non-financial dimensions such as environmental, social, and governance factors, while integrating diverse variables including the supplier’s business relevance, sector characteristics, risks associated with provided commodities and services, and country-specific risks. In addition, comprehensively considering safety and quality evaluation results, technological excellence, and work-type characteristics, the company finalized the selection of a total of 42 significant suppliers as of 2025.

▲ Supplier Screening Process

238 Tier-1 Suppliers				
Environment	Social	Governance	Business Relevance	Risk
• Environmental Regulation Violations • Environmental Accidents • Failure to Meet Environmental Assessment Standards	• Violations of Labor/Safety Regulations • On-site Safety Accidents • Human rights violations	• Violations of Ethics and Anti-Corruption Principles • Bribery and Embezzlement	• Weak Financial Structure • Poor Supplier Evaluation Results	• Country-specific Risk • Sector-specific Risk • Commodity-specific Risk

→ 42 Tier-1 Significant Suppliers selected ←

Value Chain ESRS-S2

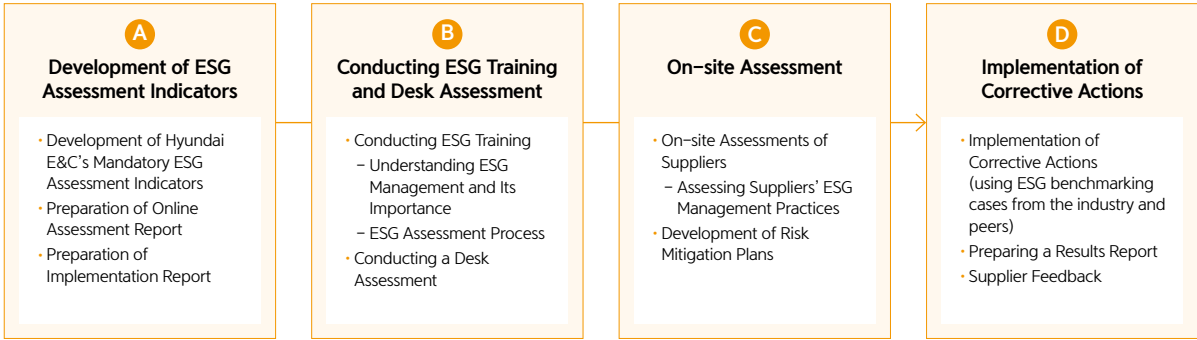
Risk Management

Value Chain Monitoring Process

Supply Chain Assessments and Implementation of Corrective Actions

Hyundai E&C has established assessment indicators based on the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct and conducts both desk assessments and on-site assessments. In particular, the company conducts value chain ESG assessments through desk assessments and on-site assessments, conducting comprehensive reviews across four areas: ethics, environment, labor and human rights, and occupational safety and health. In 2025, the company enhanced its written assessment system by adding 11 indicators related to labor, human rights, and safety. Based on the assessment results, the company classifies and manages suppliers across seven levels. For suppliers assessed as high risk after actual or potential negative impacts are identified, the company requires the development of corrective action plans to manage related risks.

▲ Value Chain Desk Assessment and On-site Assessment Process



A Development of ESG Assessment Indicators

To identify and manage risks within its Value Chain, Hyundai E&C has established 109 ESG assessment indicators based on the Supplier Code of Conduct; global standards such as UNGC, ILO Conventions, the Universal Declaration of Human Rights, RBA (Responsible Business Alliance), and BRI (Building Responsibly Initiative); domestic ESG guidelines; and relevant laws and regulations. In addition, the company is improving its ESG assessment system through analysis of supplier grievance cases, feedback from internal employees, and reviews by external specialist organizations. These efforts strengthen the reliability and effectiveness of the assessments.

▲ Details of ESG Assessment Indicators

Ethics	Environment	Labor·Human Rights	Occupational Safety and Health
- Transparent Management/Anti-Corruption, Prevention of Conflicts of Interest - Prevention of Unfair Trade - Prevention of Counterfeit Parts - Compliance with Export Restrictions - Information Security - Responsible Procurement	- Establishment of an Environmental Management System - Management of Energy Use and Greenhouse Gas Emissions - Water Resource Management - Air Pollutant Management - Waste Management - Chemical Management	- Anti-discrimination - Wages and Benefits - Working Hours Management - Humane Treatment - Freedom of Association - Prohibition of Child and Forced Labor	- Establishment of an Occupational Safety and Health Management System - Safety Management of Machinery, Equipment, and Facilities - Emergency Response - Risk Assessment - Safety Inspection

B Conducting Desk Assessment

Hyundai E&C regularly conducts self-assessments of suppliers' ESG management through online surveys. In 2025, all 42 Tier-1 Significant Suppliers completed written assessments. Where potential ESG risks are identified within the supply chain through the assessment results, the company conducts additional on-site assessments to thoroughly review and verify the relevant issues.

C On-site Assessment

To enhance the reliability and effectiveness of desktop assessment results, Hyundai E&C selects on-site assessments targets by comprehensively considering workplace locations, transaction volumes, transaction characteristics, and internal management criteria. In addition, priority for on-site assessments is given to workplaces where ESG risks are identified or potential negative impacts are anticipated during the desk assessment process. The on-site audits are conducted jointly by Hyundai E&C, 2nd party and independent third-party evaluation agencies to ensure objectivity and fairness in the evaluation. In 2025, on-site assessments were performed for a total of 40 suppliers, including two Tier-1 significant suppliers where negative impacts had been confirmed. The assessment results indicated that while suppliers generally received favorable evaluations in the Social (employment rules, operation of safety/quality management systems) and Governance (possession of a code of ethics) dimensions, improvements were required in the Environmental (insufficient substantial implementation of environmental management systems, eco-friendly material procurement, environmental compliance), Social (industrial accidents, migrant worker management, expansion of disabled employment), and Governance (financial soundness, anti-corruption and ethics training) dimensions. Accordingly, Hyundai E&C provides customized diagnostic reports for individual supplier post-assessment, alongside supporting consulting services that present corrective action plans tailored to each supplier's specific situation and characteristics.

D Implementation of Corrective Actions

Hyundai E&C identifies potential risks within its supply chain through desktop assessments and on-site assessments, establishing effective corrective action plans in consultation with each workplace to resolve them. When setting tasks, the company comprehensively reviews the implementation schedules, execution methods, and expected bottlenecks alongside workplace managers to develop site-tailored plans. In accordance with the established plans, each workplace monitors the progress of corrective measures on a regular basis to implement the improvement tasks. In 2025, the company completed the establishment of implementation plans and corrective measures for a total of 40 suppliers, including two Tier-1 significant suppliers evaluated as having confirmed negative impacts. Furthermore, to ensure these measures are not one-off initiatives, Hyundai E&C continuously monitors whether negative impacts are mitigated through appropriate improvements. In cases where risks remain unresolved due to insufficient improvement efforts, the company operates a management framework that reflects evaluation results in commercial relationships, including the suspension or termination of transactions. Moreover, by sharing excellent improvement cases with other suppliers, the company fosters a virtuous ecosystem where suppliers can autonomously practice ESG management. For detailed information on in-depth technical support programs for strengthening ESG capabilities and performance, please refer to 'Supplier Technology Proposals and Best Practice Sharing (p. 109)'.

▲ 2025 Supplier On-Site Assessment Results

Environment	Social	Governance
- Environmental Management System Substantial Implementation Gaps - Green Construction Participation & Eco-Friendly Material Procurement Expansion Required - Environmental Regulatory Violations by Certain Suppliers Identified	- Disabled Employment Rate & Community Service Performance Gaps - Regulatory Sanctions Incurred by Certain Suppliers Identified - Occupational & Major Industrial Accidents History Identified	- Accounting Transparency linked to Fund Outflows & Related-Party Transactions Improvement Required - Regular Anti-Corruption & Ethics Training Execution Required - ESG Management Response Strategies aligned with Supplier Enterprise Size Review Required

Value Chain ESRS-S2

Risk Management

Actions to Manage Significant Risks and Opportunities for Value Chain

Strengthening Value Chain Sustainability

Hyundai E&C is refining its selection criteria for outstanding suppliers (H-Leaders and H-Prime Leaders) to strengthen sustainability across the value chain. In particular, the company selects companies with exceptional safety, quality, and project execution capabilities as “H-Prime Leaders” to support their competitiveness. At the same time, the company maintains a rigorous risk management system by increasing the weighting of safety and quality assessments and adjusting supplier classifications when suppliers do not meet required standards. In 2025, all suppliers signed the Supplier Code of Conduct, fostering a culture of voluntary compliance. Additionally, the company conducts annual ESG assessments for key suppliers and SMEs vulnerable to ESG risks, providing tailored feedback based on the analysis results. Furthermore, the company encourages suppliers’ participation in ESG management through dedicated communication channels, including H-Dudrim, and practical incentives such as bonus points for suppliers with strong ESG performance.

Strengthening Value Chain Collaboration

Hyundai E&C holds quarterly meetings to strengthen partnerships with suppliers. The company also provides a forum for communication with outstanding suppliers, such as H-Leaders (including H-Prime Leaders). In February 2025, the company hosted the “H-Leaders CEO Seminar,” attended by representatives from 242 suppliers. Companies with outstanding performance in process, quality, and safety were recognized and awarded incentives. The event also served as an opportunity to share management updates, occupational safety and health strategies, and procurement policies. Participants explored joint responses to uncertain market conditions. The company is expanding support for supplier personnel who serve as key leaders in on-site quality and safety, beyond company-level awards. In August 2025, the company introduced the “Outstanding Supplier Site Manager Award Program,” the first of its kind in Korea’s construction industry, and awarded incentives totaling KRW 140 million to site managers demonstrating exceptional on-site execution capabilities. Awards for top-performing and outstanding site managers, selected primarily for their safety management capabilities, help build a virtuous cycle that strengthens site leaders’ sense of responsibility and fosters professional talent. The company operates “ESG Construction Mutual Growth Executive Program” in partnership with the Graduate School of Construction Engineering at Chung-Ang University, providing ESG education opportunities and a platform for exchange for senior executives at suppliers. Hyundai E&C plans to continue promoting mutual growth and innovation by strengthening communication and cooperation with its suppliers.



H-Leaders CEO Seminar



Award Ceremony for Outstanding Supplier Site Managers



ESG Construction Mutual Growth Executive Program

Value Chain Grievance Handling Process

Hyundai E&C operates ‘H-Dudrim’, an integrated grievance redress channel, to receive various difficulties from suppliers, including human rights violations and related risk exposures, while striving for conflict resolution and the protection of their rights and interests. In 2025, a total of 175 grievances were received from suppliers, and all submitted cases were successfully resolved and processed. For detailed information on the grievance redress process for external stakeholders, please refer to ‘Human Rights Grievance Channels (p. 94)’ within this report. Furthermore, to proactively respond to safety risks that may arise at project sites, the company operates the ‘Safety e-Report’ system, which specializes in work-stop reports and occupational health and safety proposals. In 2025, the company actively listened to stakeholder feedback by receiving and processing a total of 24,361 safety-related grievances through Safety e-Report, encompassing safety infrastructure deficiencies, accident-related reporting, and health and safety recommendations.

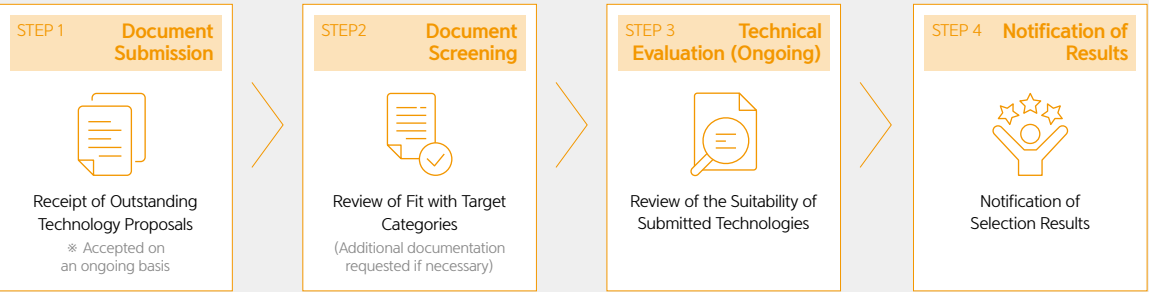
CASE

Supplier Technology Proposals and Best Practice Sharing

Opening of the Supplier Center for Outstanding Technology Proposals

In 2025, Hyundai E&C opened and operates the “Supplier Center for Outstanding Technology Proposals,” an online channel for ongoing communication, to identify suppliers’ innovative technologies and support their on-site application. This center accepts technology proposals on an ongoing basis across Building, Infrastructure, and Plant construction to improve quality and productivity while strengthening safety management. Submitted proposals undergo rigorous screening based on criteria such as constructability, necessity, and applicability. Selected technologies are given the opportunity to be applied at actual construction sites, and the results are shared with the suppliers. Through this initiative, the company aims to respond swiftly to a rapidly changing construction environment. In connection with the biennial “Hyundai E&C Technology Expo,” the company plans to build an Open Innovation ecosystem that drives technology exchange and mutual growth among large companies and SMEs.

▲ Supplier Technology Proposal Process



Spotlight on Outstanding Supplier Capabilities: <H-Leaders Series>

To share the outstanding technological capabilities and growth know-how of its suppliers and to strengthen win-win cooperation, Hyundai E&C publishes ‘H-Leaders Series’, an interview feature showcasing excellent suppliers, in its Newsroom. This series highlights key partner companies that have contributed to major domestic and international project sites through their unrivaled equipment competitiveness and construction capabilities. Hyundai E&C plans to continue utilizing these communication channels to widely promote the technological leadership of its suppliers and solidify the value of mutual growth based on shared trust.



H-Leaders Series

Value Chain

ESRS-S2

Metrics and Targets

Metrics

▲ Status of Suppliers in 2025¹⁾²⁾

(Unit: suppliers)

Category	Number of Suppliers	Remarks
Tier-1 Suppliers	238	
Tier-1 Significant Supplier	42	39% of total Tier-1 procurement spending
Non-Tier-1 Significant Suppliers	0	

1) No Tier-2 suppliers with significant ESG impacts were identified. Subcontracting in the construction industry is prohibited under the Framework Act on the Construction Industry.

2) Tier-1 suppliers are suppliers with transaction records in the reporting year and strong capabilities in safety, quality, project execution, technology, and sustainability (ESG).

▲ Results of the 2025 Supply Chain ESG Risk Assessments and On-site Assessments

(Unit: suppliers (%))

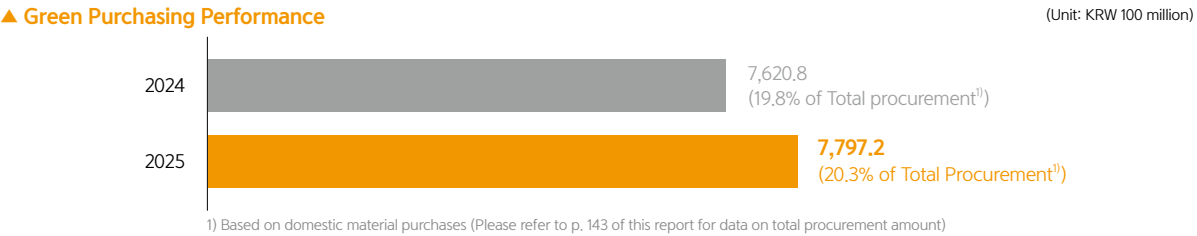
Category	2025	
Total Number of Tier-1 Suppliers	238	
Number of Tier-1 Significant Suppliers	42	
Number (Percentage) of Tier-1 Significant Suppliers that received development measures	42(100)	
Number (Percentage) of Tier-1 Significant Suppliers evaluated through desk assessments or on-site assessments	42(100)	
High-risk suppliers	Number of Tier-1 Significant Suppliers where negative impacts were identified	2
	Number (Percentage) of Tier-1 Significant Suppliers where negative impacts were identified and corrective actions or improvement plans were established	2(100)
	Number of Tier-1 Significant Suppliers whose contracts were terminated	0

Eco-Friendly Procurement Through Green Purchasing Policy

Hyundai E&C has established the “Green Purchasing Guidelines” to minimize environmental impacts at construction sites. The company manages green purchasing performance based on HEGS (Hyundai Environmental Goods Standard), the six proprietary eco-friendly purchasing criteria. Green purchasing amounted to KRW 737.6 billion in 2023, KRW 762.1 billion in 2024, and KRW 779.7 billion in 2025, reflecting continuous growth. Furthermore, by incorporating suppliers’ operation of environmental management systems and their eco-friendly certifications for products and services into the evaluation criteria, the company promotes the adoption of green purchasing policies across the value chain.

▲ Hyundai Environmental Goods Standard (HEGS)

1	Eco-friendly Building Materials (HB Certification)	4	Energy Efficiency (Korea Energy Agency)
2	Eco-Label Certification (Ministry of Climate, Energy and Environment)	5	High-Efficiency Certification (Korea Energy Agency)
3	Environmental Product Declaration, Low-Carbon Product Certification (Ministry of Climate, Energy and Environment)	6	Other Certifications (Good Recycled, International eco-labels, etc.)



Targets

Achieve 100% coverage of suppliers through ESG management assessments and corrective actions by 2030

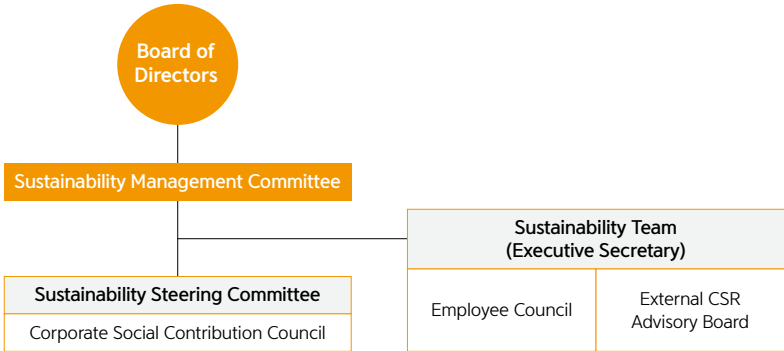
Since 2020, Hyundai E&C has been operating a supply chain ESG assessment system for suppliers to strengthen sustainability across the entire value chain. The company supports suppliers in strengthening their sustainability through a range of ESG management support programs. In 2025, the company conducted a value chain ESG assessment for all Tier-1 Significant Suppliers and completed corrective actions for the two suppliers where negative impacts were identified. Currently, the company prioritizes Tier-1 Significant Suppliers in risk assessments and plans to expand assessment coverage to all Tier-1 suppliers by 2030.

Affected Communities ESRS-S3

Governance

In the process of fulfilling its corporate social responsibility, Hyundai E&C recognizes the local community as a key stakeholder and drives social contribution activities rooted in mutual growth with these communities. Through social contribution, the company tangibly executes its responsibility toward local communities, deploying targeted activities that reflect the distinct characteristics and needs of the regions where its domestic and international workplaces are located. Hyundai E&C reviews its social contribution plans and performance through the deliberation and resolution of the Sustainability Management Committee under the Board of Directors, with the Sustainability Team leading the execution of these activities. In addition, to integrate the feedback of internal and external stakeholders, the company operates the Corporate Social Contribution Council, the Employee Council, and the External CSR Advisory Board. The Corporate Social Contribution Council shares the direction and progress of major initiatives, while the Employee Council monitors the disbursement of employee-backed funds and selects specific donation recipients to enhance the credibility of fund operations. Furthermore, the External CSR Advisory Board contributes to maximizing the effectiveness of social contribution activities by incorporating diverse stakeholder perspectives. Based on this robust governance, Hyundai E&C actively reflects the voices of not only its employees but also various external stakeholders into its management, creating sustainable shared value with local communities.

Affected Communities Governance Organization



Details of Reports to the Sustainability Management Committee Related to Affected Communities

Date	Details	Approval Status
March 20, 2025	2024 Social Contribution Results and 2025 Implementation Plan	Approved
December 17, 2025	2025 Social Contribution Performance Report	Reported
February 4, 2026	2026 Social Contribution Implementation Plan	Approved

※ As of March 26, 2026, the Corporate Governance and Communication Committee was renamed the Sustainability Management Committee

Strategy

Under its sustainability vision, “We Build a Sustainable Future,” Hyundai E&C drives local community value creation as a core strategic priority. In particular, the company contributes to generating social value by focusing on three strategic pillars that reflect the distinct characteristics of the construction industry: ‘Build for our Planet (Environment·Safety),’ ‘Build for our People (Education·Technology),’ and ‘Build for our Community (Local Community).’

Social Contribution Implementation Framework

Sustainability Vision

We Build a Sustainable Future

Social Contribution Vision

We Build Tomorrow

Key Areas

Build for our Planet
Environment and Safety

Build for our People
Education and Technology

Build for our Community
Local Community

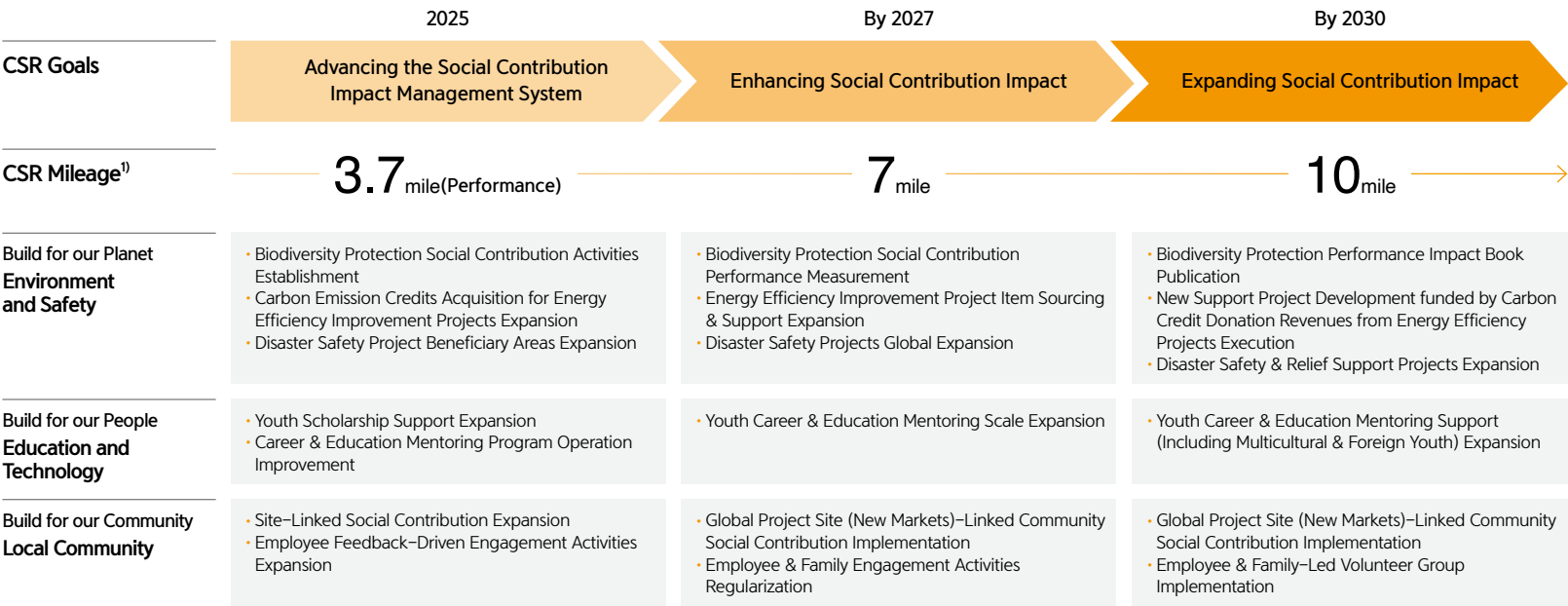
Initiatives

- H-Nature Garden (Biodiversity Conservation Garden)
- H-Green Savings (Energy Efficiency Improvement Project for Vulnerable Groups)
- Disaster Preparedness CSR Project

- Dream Mentoring Volunteer Group (Employee Skill-Based Volunteering for Youth and University Students)

- Community-Focused Social Contribution Activities at Project Sites
- Employee Participation in Social Contribution Activities (Campaigns / Volunteer Activities, etc.)

Mid-to-Long-Term Social Contribution Roadmap



1) Annual mileage system for employees that takes into account hours spent on social contribution activities, environmental protection activities, and donations

Affected Communities ESRS-S3

Risk Management

Community Policy

Community Policy

Hyundai E&C has established its 2025 Community Policy to proactively manage risks affecting local communities. This policy applies to domestic and international business sites, project sites, suppliers, and other stakeholders. In particular, the policy sets out stakeholder engagement processes, prevention and mitigation measures for impacts on local communities, and support program operations to strengthen its social responsibility.

Expanded Support for Local Communities Near Project Sites

Through its company-wide corporate social responsibility (CSR) framework, the company implements environmental and aesthetic improvements, along with support for vulnerable groups based on the needs of communities near its business sites. In particular, the company has established a company-wide collaboration process that draws on the expertise of construction sites to support swift recovery after disasters or emergencies, strengthening ties between project sites and local communities

Housing Environment Improvement

- Housing Renovation for Vulnerable Groups
- Maintenance of Aging Local Facilities (Welfare Facilities, Senior Centers, etc.)

Local Aesthetic Improvements

- Urban Aesthetic Improvements (Murals, etc.)
- Community Infrastructure Improvements (sidewalk pavers, safety railings, etc.)

Support for Vulnerable Groups

- Goods & Living Expense Support for Vulnerable Groups
- Employee Participation Activities

Stakeholder Engagement and Grievance Handling Process

Hyundai E&C has established a stakeholder engagement process to gather feedback from Affected Communities. To minimize negative impacts on local communities arising from business activities, the company operates a grievance handling channel. All stakeholders, including the employees, suppliers, and local communities, can submit grievances through online and offline channels including “H-Dudrim.” Submitted cases are forwarded to the relevant departments and resolved through review and follow-up action. Further details of the grievance handling process for external stakeholders are available in the ‘Human Rights Grievance Channel (p.94)’ of this report.

▲ Stakeholder Engagement Process



Management of Impacts on Local Community

Local Community Adverse Impact Management Activities

Hyundai E&C systematically identifies and manages potential adverse impacts on local communities that may arise during project execution. The company conducts proactive prevention and mitigation activities centered on key community impact factors that can occur during construction, such as noise, vibration, fugitive dust, traffic safety, property damage, and business disruption. Additionally, it continuously monitors risk factors at each project site and promotes mutual growth with local communities through grievance resolution and impact reduction activities.

▲ Adverse Impacts on Local Communities and Key Mitigation Measures

Indicator	Indicator Description	Likelihood ¹⁾	Impact ²⁾	Key Mitigation Measures
Environmental Impacts	Living environment and environmental pollution impacts driven by construction-phase noise, vibration, fugitive dust, soil/contaminated water leakage, and infringement of rights to sunlight	High	High	Dust screens & water sprinkling facilities operation, low-noise/low-vibration equipment deployment, working hours adjustment, wheel washing facilities operation, and real-time environmental monitoring Execution
Safety and Health	Safety accidents and physical injury risks for pedestrians and vehicles near project sites caused by falling objects, temporary structure collapses, potholes/elevation differences, and slips	Medium	Medium	Falling object prevention facilities installation, pedestrian route separation, temporary structures & roads inspection, and safety signage & personnel deployment Execution
Economic Impact	Financial asset damage impacts on local residents and commercial districts caused by building cracks/subsidence/leakage, vehicle & facility damage, and commercial business disruption	High	Medium	Pre-construction condition surveys & instrumentation control, grievance redress system operation, noise/vibration management & repair support, and traffic & vehicle flow control Execution

1) Evaluated as High, Medium, or Low based on the frequency and recurrence level of community risks over the past three years
2) Evaluated as High, Medium, or Low through a comprehensive assessment of settled insurance claim sizes (payout per case), stakeholder interest levels, and latent impacts over the past three years

Evaluation of the Effectiveness of Community Impact Management

Hyundai E&C conducts community risk management activities at sites nationwide, identifying potential risks in advance and operating a response system focused on prevention. From 2022 to 2024, 522 community risks were identified, and mitigation measures were completed for 344 cases¹⁾. Additionally, the number of identified community risks decreased from 194 in 2022 to 140 in 2024, a reduction of approximately 28%. This confirms the effectiveness of risk mitigation activities at individual sites and the grievance response system.

1) Based on the number of dismissed claims and settled insurance payouts Calculation

▲ Number of Identified Community Risks

(Unit: cases)

Category	2022	2023	2024
Number of Identified Community Risks	194	188	140

Affected Communities ESRS-S3

Risk Management

Hyundai E&C carries out a range of activities to reduce the potential negative impacts of its business operations on local communities and to maximize positive value. The company pursues strategic social contribution activities through three key areas: Build for our Planet (Environment & Safety), Build for our People (Education & Technology), and Build for our Community (Local Community). The company measures and manages quantitative social impact by categorizing activity outcomes as input, output, outcome, and impact. Based on these metrics, the people set priorities for activities to increase resource efficiency and transparently communicates social contribution performance to stakeholders, including investors, NGOs, and local communities. Such efforts strengthen internal and external communication and trust.

Build for our PLANET



SDGs 7
Affordable and Clean Energy



SDGs 11
Sustainable Cities and Communities



SDGs 12
Responsible Consumption and Production



SDGs 13
Climate Action



SDGs 15
Life on Land

Key Projects **H-Nature Garden (Biodiversity Conservation Garden)**

Since 2023, Hyundai E&C has been promoting the "H-Nature Garden" project, which establishes biodiversity conservation gardens at Hillstate housing complexes and on public land. In 2024, the company signed a business agreement with the Gangwon State Natural Environment Research Park. By 2025, the company has established five habitats for endangered and native plants in Gyeonggi (Yongin, Uijeongbu) and Gangwon (Wonju, Hongcheon). In 2026, the company plans to expand habitat creation to Hillstate complexes in the Seoul area, broadening the scope of its biodiversity conservation activities. The company will continue to monitor Gardens 1-5 and operate biodiversity education and participation programs for citizens and residents to strengthen awareness of ecological value and community participation.



H-Nature Garden No. 4 (Hillstate Geumo The First)

Key Project Achievements in 2025

Created Habitats	Total Scale	Plant Species (Quantity)
2 habitats (Uijeongbu, Gyeonggi-do, Hongcheon, Gangwon-do)	690 m ²	5 endangered plant species, 9 endemic plant species(2,550 plants)

Social Impact (3-Year Cumulative)

KRW 576 million	- Public Cost Reduction for Biodiversity Protection Effects - Relaxation Space Provision through Urban Gardens for Residents Effects - Biodiversity Awareness Enhancement for Citizens Effects
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Environmental Protection Activities with Employees

Hyundai E&C conducts employee-led environmental protection activities to safeguard local ecosystems and practice resource circulation. In 2025, to raise awareness of resource circulation, the company organized a toy upcycling volunteer initiative, where employees personally repaired and sanitized donated toys before delivering them to local children's centers. Additionally, through Tancheon stream environmental cleanup activities involving employees and their families, the company produced and threw EM (Effective Micro-organisms) mudballs, practicing river water quality improvement and biodiversity protection. Furthermore, the company drives community environmental protection social contribution activities linked to cultural heritage preservation, such as conducting environmental cleanups at Changdeokgung Palace located near its head office.



Tancheon Environmental Cleanup Activities

Key Projects **Disaster Preparedness CSR Project**

Hyundai E&C executes a children's disaster safety project to cultivate a proactive, prevention-oriented safety culture. The company developed South Korea's first disaster safety lightweight safety helmets designed exclusively for children, hosting hands-on training and evacuation drills utilizing these helmets to enhance crisis response capabilities. Beginning in Gyeongju in 2019, the scope of support expanded to Busan, Pohang, and Ulsan, reaching Ulsan in 2025. In 2025 alone, the company distributed a total of 3,535 safety helmets and completed safety education across 12 schools. Moving forward, the company plans to broaden beneficiary areas to maximize efforts in preventing childhood disaster accidents.



Disaster Preparedness CSR Project

Key Project Achievements in 2025

Supported Schools	Number of Participants	Number of Safety Helmets Provided	Program Satisfaction
12 ^{schools} (Education at 7 schools)	2,961 persons	3,535 ^{EA}	4.7 out of 5

Social Impact

KRW 280 million	- Safety Awareness Enhancement for Trained Students & Faculty Effects - Cost savings from the purchase of school safety supplies
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H-Green Savings (Energy Efficiency Improvement Project for Vulnerable Groups)

Since 2021, Hyundai E&C has been collaborating with relevant organizations, including the Seoul Metropolitan Government's Climate and Environment Headquarters, the Korea Energy Agency, and the Seoul Council on Social Welfare, to improve energy efficiency and reduce greenhouse gas emissions for energy-vulnerable groups and social welfare facilities. In 2025, the company installed solar power generation facilities with a total capacity of 73kW at three social welfare facilities, reducing greenhouse gas emissions by approximately 39tCO₂-eq annually. Revenue from carbon credits recognized through the Korea Energy Agency's assessment of greenhouse gas reductions will be donated back to the Seoul Energy Welfare Citizen Fund to support energy education programs for youth.



H-Green Savings

Key Project Achievements in 2025

Supported Facilities	Total Installed Capacity	Greenhouse Gas Reduction (10 years)	User Satisfaction with Living Environment
3 facilities	73 kW	390 tCO ₂ -eq	4.6 out of 5

Social Impact

KRW 380 million	- Welfare Facility Cost Reduction Effects - Social Enterprises & Small Businesses Support Effects - Environmental Cost Reduction from Greenhouse Gas Emissions Effects
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Affected Communities ESRS-S3

Risk Management

Build for our PEOPLE

Key Projects Dream Mentoring Volunteer Group

SDGs 4

Launched in 2014, the Dream Mentoring Volunteer Group is a corporate social contribution program that draws on employee's professional expertise to support career development among youth and university students. The mentoring program brings youth, university students, and employees together in teams of three. The workers share practical experience, while university students provide academic guidance. In 2025, Hyundai E&C strengthened its scholarship support program to expand educational opportunities for youth. In 2026, the company plans to expand construction job experience programs and programs connected to construction sites to increase experience-based career exploration opportunities.



Dream Mentoring Volunteer Group

Key Project Achievements in 2025

Number of Participants	Learning Mentoring Sessions (Hours)	Career Mentoring Sessions (Hours)	Program Satisfaction
51 persons	490 sessions (980hours)	151 sessions (604hours)	4.6 out of 5

Social Impact

KRW 200 million	- Private Education Cost Reduction for Youth & University Students Effects - Benefits derived from Scholarship Support for Youth & University Students Benefits - Social Sharing Amplification through Volunteer Participation Expansion
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Build for our COMMUNITY



SDGs 1
No Poverty



SDGs 3
Good Health and Well-being



SDGs 4
Quality Education

Community-Focused Social Contribution Activities at Project Sites

SDGs 1

SDGs 3

Hyundai E&C is expanding social contribution activities proposed by project sites to reflect local needs and characteristics. At an apartment construction site in Pohang, the company improved the local living environment by linking employee volunteer activities with renovations of aging facilities at local senior centers. At a building site in Hanam, the company established a social contribution model to address local community issues through a public-private partnership with Hanam City. At three sites in Daejeon and Seosan, Chungnam Province, the company provided seasonal supplies to 500 low-income seniors living alone during periods of extreme heat and cold.



Employee Volunteer Activities at Pohang Site



Employee Volunteer Activities at Hanam Site

Employee Participation in Social Contribution Activities

SDGs 1

SDGs 3

Hyundai E&C continues to drive social contribution activities for the development of domestic and international local communities, rooted in the voluntary participation of its employees. The Employee Giving Fund has been in operation since 2010, through which employees donate a portion of their monthly salaries; it raised approximately KRW 224 million in 2025, reaching a cumulative total of around KRW 4.56 billion to date. Following deliberations by the Employee Council, this fund is transparently utilized for projects supporting underprivileged groups in local communities. Furthermore, the company has regularized volunteer activities for new employees, which included producing and delivering solar-powered lanterns to earthquake-affected regions in Myanmar and sharing kimchi for low-income senior citizens in Jongno-gu. Beyond these initiatives, the company actively participates in resolving local community issues through various employee-led activities, such as blood donations, goods donations, and family-participatory volunteering.



Employee Giving Fund Donation Event



New Employee Volunteer Activities (Kimchi Sharing)

Affected Communities ESRS-S3

Metrics and Targets

Metrics

Social Contribution Performance Management System

Since 2010, Hyundai E&C has operated a CSR mileage program to encourage voluntary participation by employees in social contribution activities. In 2025, the company introduced an incentive program for individual employees and enhanced the operating framework to encourage participation. As a result, 2,943 workers participated in 2025, recording 11,680 cumulative volunteer hours and an average of 3.7 miles across the company.

▲ Creating Value for Local Communities Metrics

Category		Business KPIs	Social KPIs
Build for our Planet Environment & Safety	H-Nature Garden	• Created Biodiversity Conservation Habitats linked to Residential Brands (1 or more habitats) Creation	• Biodiversity Conservation Habitats within Public Lands (1 or more habitats) Creation • Program Satisfaction Score of 4.0 or Higher Achievement
	H-Green Savings	• Carbon Emission Credits through Greenhouse Gas Reductions Acquisition	• Welfare Facilities within Seoul/ Metropolitan Area (3 or more facilities) Support • Beneficiary (Institution) Satisfaction Score of 4.0 or Higher Achievement
	Disaster Preparedness CSR Project	• Elementary Schools near Disaster-Affected & High-Risk Project Sites (6 or more schools annually) Support	• Disaster Damage Prevention through Disaster Safety Lightweight Helmet Distribution & Education Contribution • Program Satisfaction Score of 4.0 or Higher Achievement
Build for our People Education & Technology	Dream Mentoring Volunteer Group	• Employee Talent Donation (10 or more participants per cohort) Contribution	• Educational Environment Improvement through Youth Learning Support Improvement • Career Exploration Opportunities for Youth & University Students Provision • Program Satisfaction Score of 4.0 or Higher Achievement
Build for our Community Local Community	Community-Focused Social Contribution Activities at Project Sites	• Annual 4-Hour Volunteer Participation (1 Person / 5 miles) Engagement	• Local Community Issues Improvement Contribution

Highest Grade in Corporate Social Responsibility in the Community and Minister of Health and Welfare Award

Hyundai E&C received the highest rating, Grade S, for three consecutive years (2023–2025) in the “2025 Corporate Social Responsibility in the Community”, operated by the Ministry of Health and Welfare and the Korea National Council on Social Welfare. In 2025, the company received the Minister of Health and Welfare Award in the social contribution category in recognition of its contributions to local communities through various programs linked to its domestic and international business sites.



2025 CSR in the Community



Minister of Health and Welfare Award

Targets

Hyundai E&C has set the proportion of donations linked to the Sustainable Development Goals (SDGs)¹⁾ as a sustainable management strategy and target and continues to expand it. The ratio of SDG-linked donations reached 78% in 2025, and the company plans to raise this to 80% in 2026 to strengthen mutual growth with local communities.

▲ Performance and Targets Related to Social Contribution

(Unit: Proportion(%), CSR Mileage(mile))

Category	2025 (Performance)	2026 (Target)
Proportion of Donations Linked to the Sustainable Development Goals	78	80
CSR Mileage	3.7	5.0

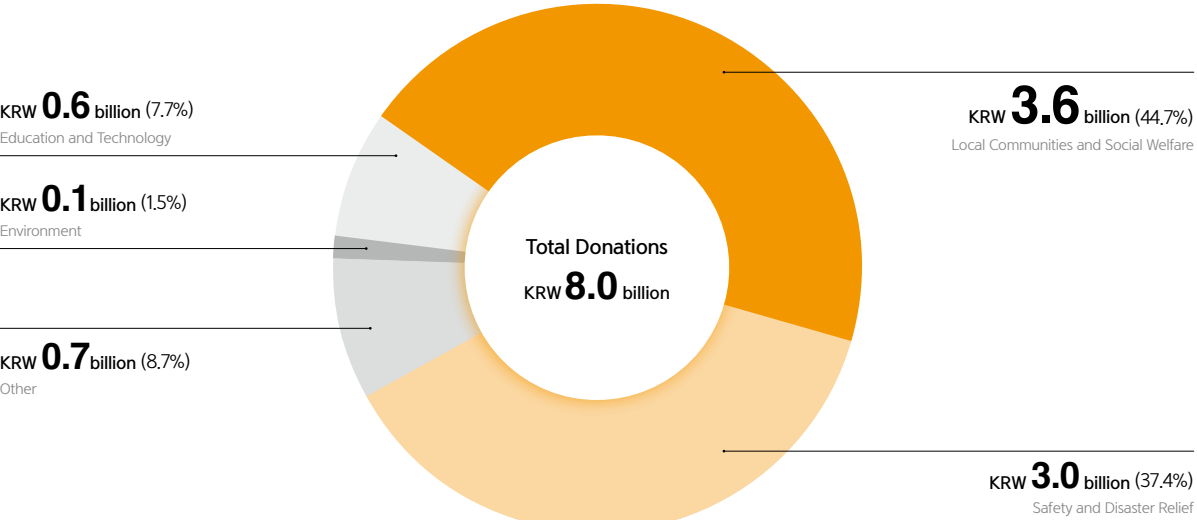
1) Donations made to create social and environmental value in connection with the 17 UN Sustainable Development Goals

Donations and Support Activities for Local Communities

Hyundai E&C builds trust through ongoing communication with local communities and expands social contribution activities through voluntary participation by employees. In 2025, the company allocated 3.6 billion KRW (44.7%), representing 44.7% of its total donations of KRW 8.0 billion, to community and social welfare activities. Through these efforts, the company practices sustainable mutual growth with local communities through its domestic and international business sites.

▲ 2025 Donation Results

(On a separate basis)





Rooftop Vertiport

Governance

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Corporate Governance ESRS-G1

Board of Directors

Governance Principles

Corporate Governance Charter

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. The company has also implemented a fair performance evaluation and transparent compensation system.

Hyundai E&C is building a transparent corporate governance system centered on professional management and the Board of Directors, reflecting the recommendations of the corporate governance code of best practices in line with international standards. Under this framework, the company pursues management directions of value-driven, global future-oriented, and sustainable management, aiming to balance the rights and interests among shareholders. Furthermore, the company has established a Corporate Governance Charter that defines Board independence and sets forth relevant standards and operating principles. The company protects shareholders’ right to information and enhances transparency by publishing an annual Corporate Governance Report.

Preface of Corporate Governance Charter

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.

Appointment of Directors

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 selected following deliberation by the Board of Directors and are finalized after being presented as individual agenda items at the General Meeting of Shareholders. The nomination and appointment process for director candidates reflects a balanced consideration of expertise and gender diversity. In particular, for Independent directors, their eligibility is comprehensively assessed based on whether they meet independence requirements, including the potential for conflicts of interest with the company.

Independent Director Appointment Process

STEP 1 Establishment of Independent Director Candidate Pool	STEP 2 Evaluation & Management of Candidates	STEP 3 Selection of Candidates (Nominating Committee for Independent Directors)	STEP 4 Board of Directors Review	STEP 5 Final Appointment (General Meeting of Shareholders)
• Securing candidate groups continuously through internal and external recommendations • Composition of expertise-based specialist pools by occupation	• Evaluation of candidate groups through quantitative and qualitative reviews • Management and segmentation of candidate groups according to evaluation results	• Recommendation of candidates based on evaluation scores • Selection of final candidates through independent deliberations	• Review of candidate suitability and board composition balance	• Appointment of final independent directors via the General Meeting of Shareholders • Execution of onboarding orientation programs for newly appointed directors

Individual Agenda Items for Director Appointment

Hyundai E&C ensures shareholder voting rights by presenting the appointment of directors as individual agenda items. Accordingly, directors are appointed with the consent of a majority of the voting rights of shareholders present at the General Meeting of Shareholders, and a separate appointment method is applied for independent directors who serve as Audit Committee members. Furthermore, to reinforce the independence of the Audit Committee, the company applies a regulatory restriction that caps the voting rights of the largest shareholder and related parties at 3%, and is expanding the separate appointment of Audit Committee members to strengthen the protection of minority shareholders’ rights and interests.

Status of Deliberations on Agenda Items Related to Director Appointments in 2025

Date	Category	Content
January 3, 2025	Extraordinary General Meeting of Shareholders	Item 1 Appointment of Lee Han-Woo as Executive Director
		Item 3-1 Appointment of Hwang Joon-Ha as Executive Director
March 20, 2025	Annual General Meeting of Shareholders	Item 3-2 Appointment of Chung Moon-Ki as Independent Director
		Item 4 Appointment of Chung Moon-Ki as member of Audit Committee
August 20, 2025	Extraordinary General Meeting of Shareholders	Item 1 Appointment of Lee Hyung-Seok as Executive Director

Status of Deliberations on Agenda Items Related to Director Appointments Since 2025

Date	Category	Content
March 26, 2026	Annual General Meeting of Shareholders	Item 3-1 Appointment of Shin Jae-Jum as an Executive Director
		Item 3-2 Appointment of Chung Eun-Hyea as Independent Director
		Item 4 Appointment of Chung Eun-Hyea as member of Audit Committee
		Item 5 Appointment of Independent Director Chang Hwa-Jin as member of Audit Committee

Board Composition

As of March 2026, Hyundai E&C’s Board of Directors consists of three executive directors and four independent directors. Independent directors account for 57.1% of the Board, exceeding a majority, which satisfies the requirements stipulated in Article 542-8(1) of the Commercial Act. Given the nature of the E&C industry, where prompt decision-making at domestic and international sites is critical, the CEO also serves as the Chair of the Board; however, the Board operates under the leadership of a lead independent director.

Corporate Governance ESRS-G1

Board of Directors

Members of the Board of Directors¹⁾²⁾

(As of March 26, 2026, the date of appointment at the 76th Annual General Meeting of Shareholders; includes Board members as of Dec. 31, 2025)

Position	Name	Gender	Nationality	Term	Career Experience	Sector	Board Skills Matrix ³⁾					
							Leadership	Accounting / Finance	Capital Markets / Business Operations	Industry / Technology (Construction)	Global Expertise	ESG
CEO (Chairperson)	Lee Han-Woo	Male	South Korea	January 3, 2025 (Appointed) March 20, 2028 (End of term)	• (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)	●		●	●		●
Executive Director	Lee Hyung-Seok	Male	South Korea	August 20, 2025 (Appointed) March 21, 2027 (End of term)	• (Current) CFO of Hyundai E&C • (Former) CFO of Hyundai Capital • Education: B.S in Business Administration, Ontario University	Accounting/Finance/ Business Management	●	●	●	●	●	●
Executive Director	Shin Jae-Jum	Male	South Korea	March 26, 2026 (Appointed) March 26, 2029 (End of term)	• (Current) Head of Safety & Quality Division at Hyundai E&C • (Former) Project Director of Housing Works Division at Hyundai E&C • Education: B.S. in Architectural Engineering at Kyungpook National University	Industry/Technology (Safety Management)	●		●	●		●
Independent Director	Cho Hye-Kyung	Female	South Korea	March 25, 2021 (Appointed) March 21, 2024 (Reappointed) March 21, 2027 (End of term)	• (Current) Professor of AI Application at Hansung University • (Current) Independent director at Samsung Electronics • (Former) President of Korean Institute of Robotics • Education: Ph.D. in Robotics at Seoul National University	Industry/Technology (Robotics)	●			●	●	●
Lead Independent Director	Chung Moon-Ki	Male	South Korea	March 24, 2022 (Appointed) March 20, 2025 (Reappointed) March 20, 2028 (End of term)	• (Current) Professor extraordinary of Business at Sungkyunkwan University • (Current) Independent director at Hyundai Corporation • (Former) Independent director and Chairman of the Board at POSCO • (Former) Partner at Samil PwC • Education: Ph.D. in Business Administration at Sungkyunkwan University	Accounting/Finance/ Business Management	●	●	●		●	●
Independent Director	Chung Eun-Hyea	Female	South Korea	March 26, 2026 (Appointed) March 26, 2029 (End of term)	• (Current) Professor of Department of Energy Systems Engineering, at Seoul National University • (Former) Member of the Ministry of Trade, Industry and Energy • (Former) Researcher at the Korea Institute of Science and Technology • Education: Ph.D., Civil and Environmental Engineering, Georgia Institute of Technology	Industry/Technology (Environment/Energy)	●			●	●	●
Independent Director	Chang Hwa-jin	Male	United States	March 26, 2026 (Appointed) March 26, 2029 (End of term)	• (Current) President of the Cohere Asia-Pacific Headquarters • (Current) Independent director at SK Networks • (Former) President of Confluent Korea • (Former) President of Google Cloud Korea • Education: Master of Science in Mechanical Engineering at Stanford University	Business Strategy,Global,Digital/IT	●		●	●	●	●
Executive Director	Hwang Joon-Ha	Male	South Korea	March 24, 2022 (Appointed) March 20, 2025 (Reappointed) March 26, 2026 (Resigned)	• (Former) Head of Safety Management Division at 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	South Korea	March 19, 2020 (Appointed) March 23, 2023 (Reappointed) March 26, 2026 (Resigned, end of term)	• (Current) Professor of Architectural Engineering at Hanyang University • (Former) President of the Korean Institute of Building Information Modeling • Education: Ph.D. in Construction Management at University of Illinois	Industry/Technology (Architectural Engineering, BIM)	●			●	●	
Independent Director	Hong Dae-Sik	Male	South Korea	March 19, 2020 (Appointed) March 23, 2023 (Reappointed) March 26, 2026 (Resigned, end of term)	• (Current) Professor of Law at Sogang University Law School • (Former) Attorney at Yulchon LLC • Education: Ph.D. in Law at Seoul National University	Legal/Policy, ESG	●				●	●

1) The above table includes data as of both December 31, 2025, and March 2026. As of March 26, 2026, Executive Director Hwang Joon-Ha resigned for personal reasons, and Independent Directors Kim Jae-Jun and Hong Dae-Sik resigned upon the expiration of their terms.

2) As of December 31, 2025, the average tenure of Board members is approximately four years. With the appointment of a new independent director in 2026, the average tenure is approximately two years.

3) There have been changes in the composition due to revised Board Skills Matrix criteria.

Corporate Governance ESRS-G1

Board of Directors

Independence, Diversity, and Expertise of the Board

Board Independence

Hyundai E&C ensures the independence of its independent directors in compliance with the requirements of Article 542-8(1) of the Commercial Act of Korea. The company adheres to the independence criteria set forth in its Corporate Governance Charter when appointing independent directors, based on the operating regulations of the Nominating Committee for Independent Directors. To ensure independence within the Board, the company appoints lead independent director who facilitates coordination and discussions among independent directors separate from management, thereby strengthening the oversight function of independent directors and creating a fair decision-making system within the Board. Article 9 of the Regulations of the Board of Directors and Committees stipulates that directors with a special interest in a Board resolution may not exercise their voting rights. Under this institutional framework, Hyundai E&C operates committees centered on independent directors and reinforces the functions of the Audit Committee, thereby guaranteeing sound corporate governance.

Standards of Independence of Independent Directors

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

- 1
- Records of employment in the Company or its affiliates for the past five (5) years (excluding independent directors);
- 2
- Records of director's family member(s) employment in the Company or its affiliates for the past three (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
- Records of employment in the Company's external auditor;
- 5
- Records of employment in a corporation that: i) provides advisory services to the Company; or ii) has signed a technical partnership with the Company;
- 6
- Records of serving as an advisor or consultant for the Company or management;
- 7
- Records of employment in a corporation whose total transaction volume with the Company during the past three (3) fiscal years amounts to 10% or more of the Company's total assets or operating profit;
- 8
- Records of employment in a corporation with which the Company signed a contract during the past fiscal year for an amount equivalent to 10% or more of the Company's total revenue; and
- 9
- Records of irrelevance to those matters decided by the Board of Directors.

Board Diversity

In accordance with its Corporate Governance Charter, Hyundai E&C imposes no restrictions based on specific factors such as gender, nationality, or age in the composition of its Board of Directors. Instead, the company comprehensively considers candidates with diverse backgrounds and capabilities. Under this principle, the company reappointed Cho Hye-Kyung, an independent director with expertise in construction robotics, in 2024, and newly appointed Chung Eun-Hyea, an independent director with expertise in the environment and energy, in 2026, further increasing the proportion of female directors. The company also enhanced Board expertise and industry diversity by appointing Chang Hwa-Jin, an independent director with extensive experience in global management strategy.

Board Responsibility

Directors at Hyundai E&C are required to faithfully perform their duties faithfully, prioritizing the interests of the company and its shareholders, and must not disclose any trade secrets related to their duties to third parties. If a director violates laws, regulations, 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 enhance accountability and attract competent individuals as directors, the company has purchased directors' liability insurance at the company's expense.

Operation and Authority of Board of Directors

Board Expertise

Hyundai E&C's Board of Directors is composed of experts in various fields, including finance and accounting, construction and engineering, business strategy, and environment and energy. It is responsible for strategic decision-making and business oversight aimed at boosting the company's competitiveness. As of 2026, Board of Directors consists of executive directors with experience in safety management and independent directors with expertise in construction, environment and energy, and digital fields. Board members contribute to sustainable growth and securing future competitiveness based on their experience and expertise in their respective fields. In particular, the Board of Directors possesses extensive knowledge of the Global Industry Classification Standard (GICS), as well as maintains comprehensive insights into the construction and infrastructure sectors. Based on this foundation, the Board of Directors is committed to building its ability to respond to the changing industrial landscape, such as smart construction, energy transition, and digital transformation.

Board Training

Hyundai E&C establishes annual training plans and operates training programs to enhance the expertise of its independent directors. In 2025, the company conducted practical, field-centric training essential for the execution of Board and Audit Committee duties, including overseas site visits to enhance understanding of businesses and operational fields, alongside sessions on Audit Committee systems and operations, corporate governance, internal control over financial reporting, and cases of fund misappropriation. In particular, through construction site safety training, the company reinforced the necessity of strengthening industrial safety and health system management. Furthermore, the company hosted an ESG seminar for independent directors in November 2025 to share global ESG trends and the latest regulatory developments (Korea, Europe, and the US), thereby enhancing understanding of key construction industry issues such as serious accident risks and supply chain human rights exposures. Notably, through education on the ESG-related oversight roles to be executed by the Board (performance improvement, climate change response, human rights and diversity management, data management, etc.), the company strengthened the sustainable management oversight function of the Board of Directors.

▲ 2025 Training Overview for Independent Directors (Unit: persons)			
Date	Training Provider	Number of Attendees	Training Details
January 12, 2025	Hyundai E&C Board of Directors	4	• Overseas Site Visits to Enhance Business Understanding
May 23, 2025	KPMG Samjong Accounting Corp	1	• Audit Committee System and Operations • Corporate Governance • Action Plans for the Audit Committee • Accounting Issues for the Audit Committee, etc.
May 28, 2025	Audit Committee Forum	1	• Internal Control over Financial Reporting (ICFR) and Fund Misappropriation • Case Studies on Data-Driven Financial Fraud Detection • Financial Reporting and Internal Controls
June 11, 2025	Hyundai E&C (Internal Training)	4	• Onsite Safety Training to Enhance Understanding of the Construction Industry
July 1, 2025	KPMG Samjong Accounting Corp.	1	• Response to Sustainability Disclosures • New Internal Control over Financial Reporting (New ICFR) • Improvements in Corporate Governance, etc.
September 26, 2025	Samil PwC	1	• Evolution and Implications of Capital Market Laws • Capital Market Act through Case Studies • Governance Trends
October 21, 2025	Audit Committee Forum	1	• Purpose of Accounting Reform and the Role of the Audit Committee • Communication on Key Audit Matters (KAM)
November 21, 2025	Kim & Chang Law Firm	4	• Latest ESG Regulatory Trends and Key Issues in the Construction Industry • Board's ESG Oversight Role

Corporate Governance ESRS-G1

Board of Directors

Operations of the Board of Directors and Committees

Board Operations

In accordance with Article 6 of the Regulations of Board of Directors and Committees, Hyundai E&C holds regular Board meetings four times a year as a general rule, and the Board may convene extraordinary meetings as necessary. Board meetings can be convened by the Chairman or at the request of another director; pursuant to the Articles of Incorporation, notice of a Board meeting is sent to individual directors at least seven days prior to the meeting date, and agendas require the approval of a majority of the attending directors to be passed. Furthermore, all decision-making processes are recorded and disclosed in the Board minutes, which encompass details of the agendas, procedural sequences, approval status, and opposing directors along with their rationales. Under Article 11, Paragraph 4 of the Board of Directors Regulations, the Board can receive reports on other matters regarding material management executions, and significant matters discussed within committees are reported to the Board as necessary. Consequently, the Board of Directors holds the ultimate responsibility and authority for the company's ESG management and sustainability-related impact management. The Board reviews and approves the final ESG strategies, policies, mid-to-long-term targets, and major action plans, while managing and supervising the relevant response directions.

▲ Status of Deliberation on Major ESG Agenda Items by the Board of Directors in 2025

(Unit: %)

Date	Details	Approval Status	Approval Rate ¹⁾
January 3, 2025	Composition of committees within the Board of Directors and appointment of members	Approved	100
January 22, 2025	Approval of the operation and plan for the safety and health management system	Approved	100
February 19, 2025	Approval of the convocation of the 75th Annual General Meeting of Shareholders and the agenda items	Approved	100
February 19, 2025	Report on the CEO Investor Day	Reported	-
March 20, 2025	Composition of committees within the Board of Directors and appointment of members	Approved	100
	Revision of regulations of Corporate Governance & Communication Committee	Approved	100
March 28, 2025	Approval of mid- to long-term strategy and shareholder return policy	Approved	100
July 4, 2025	Approval of the convocation of an Extraordinary General Meeting of Shareholders and the agenda items	Approved	100
	Revision to Board of Directors Regulations	Approved	100
July 18, 2025	Appointment of a lead independent director	Approved	100
	Composition of committees within the Board of Directors and appointment of members	Approved	100
October 31, 2025	Approval of the establishment of operating regulations for Independent director's council	Approved	100
	Report on the establishment of the Sustainability Disclosure Regulations	Reported	-

1) Based on attending directors

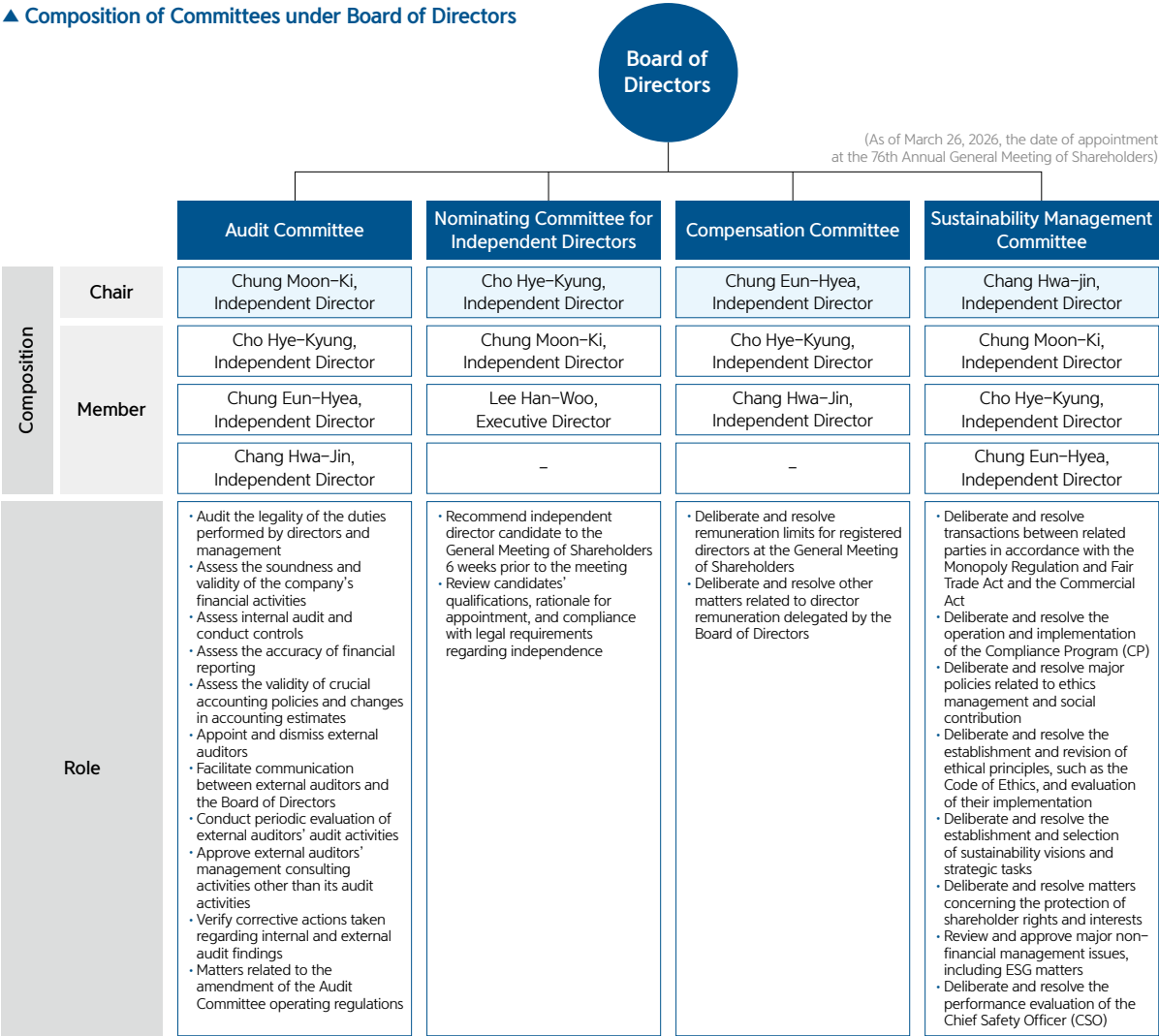
▲ Average Attendance Rate for the Board of Directors in 2025



Board Committees

Hyundai E&C operates a total of four committees under the Board of Directors: the Audit Committee, the Nominating Committee for Independent Directors, the Compensation Committee, and the Sustainability Management Committee. Each committee meets the required proportion of independent directors to ensure independent decision-making. Pursuant to the Commercial Act and the Board of Directors Regulations, committee members are equipped with expertise in relevant fields. Key activities of each committee, such as individual attendance rates, agenda items, and approval status, are disclosed in its annual report.

▲ Composition of Committees under Board of Directors



Corporate Governance ESRS-G1

Board of Directors

Operations of the Board of Directors and Committees

Audit Committee

Hyundai E&C operates the Audit Committee to ensure objective and highly reliable audits based on the independence of the auditors. The Audit Committee consists entirely of four independent directors, including the chairperson, thereby ensuring independence. Chairperson Chung Moon-Ki possesses expertise in accounting and finance (certified public accountant and holder of a degree in accounting and finance), contributing to strategic decision-making and in-depth auditing.

▲ Audit Committee Operations in 2025

(Unit: %)

Date	Content	Approval Status	Attendance Rate	Approval Rate
January 22, 2025	Approval of the 75th financial statement	Approved	100	100
	Approval of the 75th business report	Approved	100	100
	Approval of internal audit results for 2024 and plans for 2025	Approved	100	100
	Financial settlement report for 2024	Reported	100	–
	Report on and evaluation of the ICFR for 2024	Reported	100	–
February 19, 2025	Report and evaluation of operational status of internal monitoring systems in 2024 and 1 additional item	Reported	100	–
March 20, 2025	Appointment of the chair for the Audit Committee	Approved	100	100
April 29, 2025	Financial settlement report for Q1 2025 and 2 additional items	Reported	100	–
July 18, 2025	Report on the internal audits conducted in 2025 and 2 additional items	Reported	100	–
August 20, 2025	Review of the agenda items for the Extraordinary General Meeting of Shareholders	Approved	100	100
October 31, 2025	Report on the internal audits conducted in Q3 2025 and 3 additional items	Reported	100	–

Nominating Committee for Independent Directors

Hyundai E&C’s Nominating Committee for Independent Directors is operated in accordance with relevant laws and the Regulation of Board of Directors and Committees to appoint independent directors under established procedures. The committee consists of two independent directors and one executive director, ensuring that a majority of members are independent directors in compliance with applicable laws.

▲ Nominating Committee for Independent Directors Operations in 2025

(Unit: %)

Date	Details	Approval Status	Attendance Rate	Approval Rate
February 19, 2025	Recommendation of independent director candidates	Approved	100	100
October 31, 2025	Report on the pool of independent director candidates	Reported	100	–

Compensation Committee

To enhance shareholder value and establish transparent and rational remuneration policies, Hyundai E&C voluntarily establishes and operates the Compensation Committee. The Compensation Committee is composed entirely of three independent directors, including the Chairman, thereby securing independence and objectivity in its decision-making processes.

▲ Compensation Committee Operations in 2025

(Unit: %)

Date	Details	Approval Status	Attendance Rate	Approval Rate
February 19, 2025	Approval of the 76 th remuneration limit for directors	Approved	100	100

Sustainability Management Committee

As of March 2026, Hyundai E&C’s Corporate Governance and Communication Committee was renamed the Sustainability Management Committee to expand its role and responsibilities in sustainability management. The Sustainability Management Committee operates voluntarily to enhance the company’s sustainability management through initiatives such as promoting ethics management, upholding shareholder rights, ensuring transparency in large-scale internal transactions, and evaluating the performance of sustainability and occupational safety and health-related functions. Regulations require the committee to consist of at least three directors, with independent directors making up at least two-thirds of the composition. Nevertheless, Hyundai E&C has formed the committee with a total of four members to further reinforce the committee’s independence and transparency.

▲ Sustainability Management Committee Operations in 2025

(Unit: %)

Date	Details	Approval Status	Attendance Rate	Approval Rate
January 22, 2025	Report on safety and health performance for the second half of 2024	Reported	100	–
	Approval of financial transactions with financial affiliates by contract	Approved	100	100
	Approval of self-dealing by directors	Approved	100	100
February 19, 2025	Establishment of transaction limit with affiliates	Approved	100	100
	Report on the operation of and plans for CP Report on the operation of and plans for ISO 37001	Reported	100	–
	Approval of sustainability management performance in 2024 and plans for 2025 – Establishment of 2024 ESG KPIs and materiality assessment	Approved	100	100
March 20, 2025	Social contributions in 2024 and plans for 2025	Approved	100	100
	Approval of financial transactions with financial affiliates by contract	Approved	100	100
April 29, 2025	Approval of financial transactions with financial affiliates by contract	Approved	100	100
July 18, 2025	Approval of transactions with affiliates	Approved	100	100
	Report on the operation of and plans for CP Report on the key contents of sustainability management Report on safety and health performance for the first half of 2025	Reported	100	–
September 10, 2025	Approval of transactions with affiliates	Approved	100	100
October 31, 2025	Approval of transactions with affiliates	Approved	100	100
	Approval of transactions with affiliates	Approved	100	100
	Approval of financial transactions with financial affiliates by contract	Approved	100	100
December 17, 2025	Report on safety and health management strategies Report on social contributions in 2025	Reported	100	–

※ As of March 26, 2026, the Corporate Governance and Communication Committee was renamed the Sustainability Management Committee.

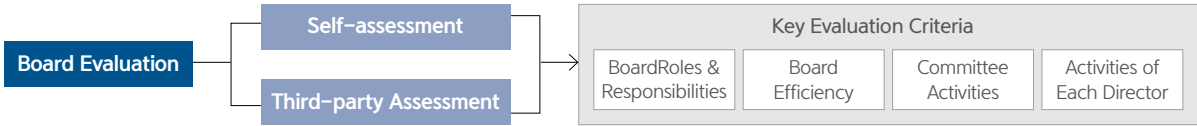
Corporate Governance ESRS-G1

Board of Directors

Board Performance Evaluation and Compensation

Board Performance Evaluation

Hyundai E&C conducts an annual performance evaluation based on Board of Directors activities, utilizing the results as management indicators and to improve Board operations for the following year. The Board activity evaluation diagnostics comprise the roles and responsibilities of the Board, operational efficiency, committee evaluations, and individual director activity evaluations, with each category evaluated on a 5-point scale. In the 2025 evaluation, the Hyundai E&C Board of Directors achieved an overall average score of 4.95 out of 5 points, and these results are utilized as baseline data to determine the re-appointment of directors. Furthermore, to reinforce the independence and objectivity of Board evaluations, Hyundai E&C introduced third-party assessments in 2023 and executed a third-party assessment in December 2025 in accordance with its biennial implementation plan. The 2025 third-party assessment upgraded the evaluation framework by sharpening the evaluation criteria and refining detailed indicators based on the same evaluation categories as the self-assessment, while introducing a 5-stage evaluation system to diagnose operational maturity. The results of the third-party assessment were reported to the Board in March 2026 to be utilized in establishing improvement directions, and based on this, the company plans to further upgrade the annual Board self-diagnostic survey.



▲ Self-assessment of Board Activities in 2025

			(Unit: points(out of 5.0))		
Category		Score	Category		Score
Board Roles & Responsibilities	Long-term vision and strategy	5	Compensation Committee	Composition (expertise)	5
	Ensuring independence	5		Operations	5
	Financial performance review	5		Roles	5
	Pursuit of overall shareholder interests	4.86		Strengthening committee roles	5
	Pursuit of long-term shareholder profits	4.71	Nominating Committee for Independent Directors	Composition (expertise)	5
Board Efficiency	Adequacy of Board composition	4.71		Operations	5
	Number of meetings and agenda items	5		Roles	5
	Materials and material review	5		Strengthening committee roles	4.67
	Adequacy of discussion methods	5	Self-assessment by Each Director	Board/committee attendance rate	5
	Adequacy of follow-up measures	5		Committee preparations	5
Sustainability Management Committee	Composition (expertise)	5		Board expertise/communication	5
	Operations	5		Protection of shareholder rights/interests	5
	Roles	5		Supervision of management activities and follow-up management	4.86
	Activity report	5	Overall Average		4.95
Audit Committee	Composition (expertise)	4.75			
	Operations	5			
	Roles	5			
	Activity report	5			

Board Remuneration

Hyundai E&C pays Board remuneration in accordance with its executive compensation determination standards. The salary of executive directors comprehensively considers duties, position, length of service, expertise, and contribution to the company. Bonuses are determined by comprehensively reflecting financial performance (business performance such as sales revenue and operating profit, which form the basis for Return on Equity (ROE), Return on Investment (ROI), and Return on Assets (ROA)), industry evaluation indicators (stock price volatility relative to peers, overseas order market share), and the achievement of ESG KPIs, pursuant to performance incentive payout standards. For independent directors, remuneration is paid as a fixed salary, excluding separate performance-based bonuses linked to management outcomes. Furthermore, the remuneration of executive and independent directors is executed within the limit approved at the General Meeting of Shareholders each year, and the relevant details are disclosed through the Annual Report. In 2025, the total amount of the remuneration limit approved by the Compensation Committee was KRW 5,000 million.

▲ Status of Remuneration Payments

(As of 2025, Unit: Total remuneration (KRW million), Average remuneration per person (KRW million), Number of people (persons))			
Category		Total Remuneration	Average Remuneration per Person
Executive	Executive director	4,036	1,345
	Independent director	416	104
Employee	–	810,669	112
			6,900
* Ratio of CEO Compensation to Mean Employee Compensation: 8.27 times (Refer to Business Report p. 392–398) (18.45 times in 2024 → 55.2% decrease year-over-year)			
* Ratio of CEO Compensation to Median Employee Compensation: 9.45 times (Median: KRW 98 million) (21.86 times in 2024 → 56.8% decrease year-over-year)			
※ Based on the Annual Report			

▲ Board Remuneration Standards and Payment Details

(As of 2025, Unit: KRW million)				
Position	Name	Category		Total
CEO	Lee Han-Woo	Earned income	Salary	605 ¹⁾
			Bonus	309 ²⁾
			Other earned income	12 ³⁾
			Subtotal	926
(Former) Executive Director	Hwang Joon-Ha	Earned income	Salary	470 ¹⁾
			Bonus	103 ²⁾
			Other earned income	30 ³⁾
			Gains from exercising stock options	1
			Retirement income	1,404 ⁴⁾
(Former) Executive Director	Kim Do-Hyung	Earned income	Salary	235 ¹⁾
			Bonus	64 ²⁾
			Other earned income	5 ³⁾
			Retirement income	504 ⁴⁾
			Subtotal	808

1) Annual salary paid in installments (monthly) in accordance with the executive personnel and treatment regulations, which take into account position, title, and competence
2) Performance-based incentives and bonuses paid according to individual evaluation scores, taking into comprehensive consideration the results of executives' management-related environments, performance, and crisis response
3) Others (e.g., welfare benefits)
4) Retirement pay and other benefits are paid in accordance with the executive personnel and treatment regulations

Corporate Governance ESRS-G1

Board of Directors

Board Performance Evaluation and Compensation

▲ Shareholding Status of CEO and Executives

(Unit: Base salary (KRW million), Number of common shares held (shares), Value of shares (KRW million), As of 2025)

Position	Name	Base Salary	Number of Common Shares Held	Value of Shares ¹⁾	Multiple of Base Salary
CEO ²⁾	Lee Han-Woo	605	2,201	154.3	0.26
Executives ³⁾	Kang Young-Hee	470	1,000	70.1	0.15
	Ryu Seong-An	470	1,199	84.0	0.18

1) Closing price per share of KRW 70,100 on December 30, 2025

2) Resignation of CEO Yoon Young-Joon effective November 17, 2024, and appointment of the new CEO Lee Han-Woo effective January 3, 2025 (Number of shares held: 2,201 shares)

3) Based on the top 2 individuals with the highest common stock holdings multiple relative to base salary among the top 5 highest-paid individuals receiving remuneration of KRW 500 million or more in the Business Report (as of December 31, 2025) (*Excluding Registered Executive Director Hwang Joon-Ha)

CEO Succession Policy

Establishment and Operation of the Succession Policy

Corporate Governance Report

Under the supervision of the HR Division, Hyundai E&C identifies key executive candidates possessing professional management capabilities and leadership, and nurtures them through step-by-step training programs. In addition, the Chief Executive Officer is elected as a director by a resolution of the General Meeting of Shareholders following evaluation and recommendation of the candidate by the Board of Directors, and is subsequently appointed as the Representative Director through a Board resolution. In the event of a vacancy or contingency of the Representative Director, pursuant to Article 37 of the Articles of Incorporation, a director designated by the Representative Director acts on their behalf; if no designation has been made, the duties are executed in the order of President, Executive Vice President, Senior Vice President, and Vice President, and in the case of identical ranks, by the senior person by age. Accordingly, based on the succession policy and in consideration of the management environment and business issues, the company catalogs the qualification requirements (Position Profiles)—encompassing roles, responsibilities, required experience, and demanded competencies—for key executive positions, and reviews a diverse talent pool through internal candidate identification and external talent recruitment. Subsequently, by comprehensively deliberating on position fit, expertise, leadership, and potential competency of the candidates, the company selects and manages short- and long-term candidates. Furthermore, to ensure a seamless succession process, the company establishes development plans that consider the competencies, strengths, and weaknesses of executive and CEO candidates, operates internal and external training programs, and conducts career development, performance, and competency verifications by granting diverse roles and opportunities.

▲ Training Status for CEO Candidates

(Unit: persons)

Program	Training Type	Number of Participants
In-Hub Executive Development Program ¹⁾	Internal training	45
CEO Training Program ²⁾	External training	4

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.

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

Shareholders

Protection of Shareholder Rights

Hyundai E&C clearly defines the principles for protecting shareholder rights through its Corporate Governance Charter. To ensure shareholders' voting rights, the company sets a minimum notice period for general meetings and schedule them while avoiding concentration days. The company also supports the active exercise of shareholder rights by implementing electronic voting, encouraging proxy voting, and providing English-language disclosures for foreign shareholders. In March 2026, the company amended its Articles of Incorporation to adopt virtual shareholder meetings, which are expected to officially begin in January 2027. Virtual meetings will allow shareholders to exercise their voting rights remotely without physically attending, which will further enhance shareholder accessibility and participation. The updated Articles of Incorporation also covers expanded scope of directors' fiduciary duties from the company to shareholders—solidifying the institutional foundation to ensure that the Board of Directors faithfully considers shareholder interests. The company works to ensure the independence of the audit function and protect minority shareholders' rights through measures such as expanding the split voting system for members of the Audit Committee and restricting the voting rights of the majority shareholder (the 3% rule). Moreover, the company contributes to substantially protecting shareholder rights by requiring prior approval at the General Meeting of Shareholders for matters that may significantly impact shareholder rights, such as amendments to the Articles of Incorporation, mergers, business transfers, and spin-offs.

▲ Shareholder Status¹⁾

(As of December 31, 2025, Unit: Number of shares (shares), Equity ratio (%))

Category	Shareholder	Number of Shares	Equity Ratio ²⁾
Majority shareholder and related parties	Hyundai Motor	23,327,400	20.95
	Hyundai Mobis	9,719,750	8.73
	Kia	5,831,850	5.24
Domestic institutional shareholders	National Pension Service	12,334,005	11.08
	Asset management firms, etc.	12,720,579	11.42
Foreign investors		22,223,710	19.96
Private investors and others		25,191,120	22.62
Total		111,355,765	100.00

1) There are no golden shares for government institutions. 2) Based on the number of common shares.

Shareholder Return Policy

Hyundai E&C is strengthening shareholder returns based on regular dividends, and became the first construction company to present a target of 25% or higher through the introduction of Total Shareholder Return (TSR). The company maximizes profits through cash dividends and share buybacks and cancellations, thereby enhancing shareholder value with performance-linked dividend policies, and provides dividend-related details to shareholders through disclosures on the Data Analysis, Retrieval and Transfer System (DART) and the company website.

▲ Dividends Status (Separate Basis)

Category		Unit	2023	2024	2025
Net income		KRW 100 million	3,721	1,741	2,313
Adjusted net income ¹⁾		KRW 100 million	2,665	573 ²⁾	2,415
Basic earnings per share (common share)		KRW	3,310	1,549	2,057
Basic earnings per share (preferred share)		KRW	3,360	1,599	2,107
Total dividends		KRW 100 million	675	675	900
Dividend payout ratio	Payout ratio	%	18.1	38.8	38.9
	Adjusted payout ratio	%	25.3	117.8 ²⁾	37.3
Performance rate against target		%	100	100	100
Dividend yield ³⁾ ratio	Common share	%	1.8	1.8 ⁴⁾	0.5
	Preferred share	%	1.3	1.3 ⁴⁾	1.2
Dividend per share	Common share	KRW	600	600	800
	Preferred share	KRW	650	650	850

※ Based on the 2025 Annual Report

1) Net income – Non-operating/extraordinary items (Foreign exchange-related gains and losses)

2) Correction of data entry errors

3) Average closing price for one week prior to two business days before the ex-dividend date

4) Restatement of information due to changes in the calculation method

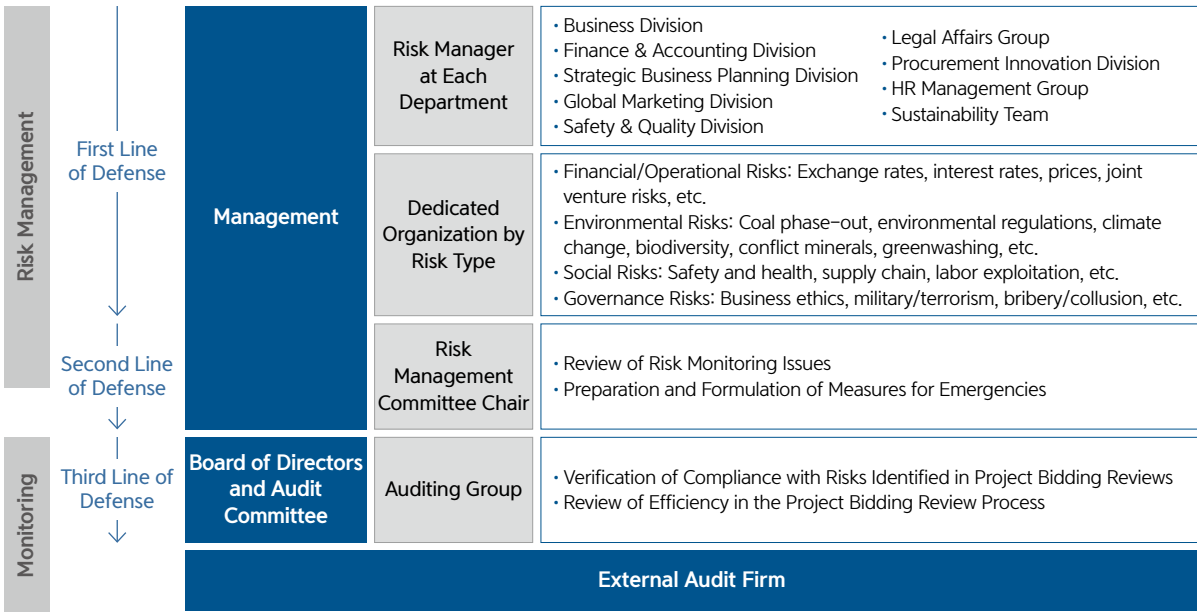
Corporate Governance

ESRS-G1

Integrated Risk Management

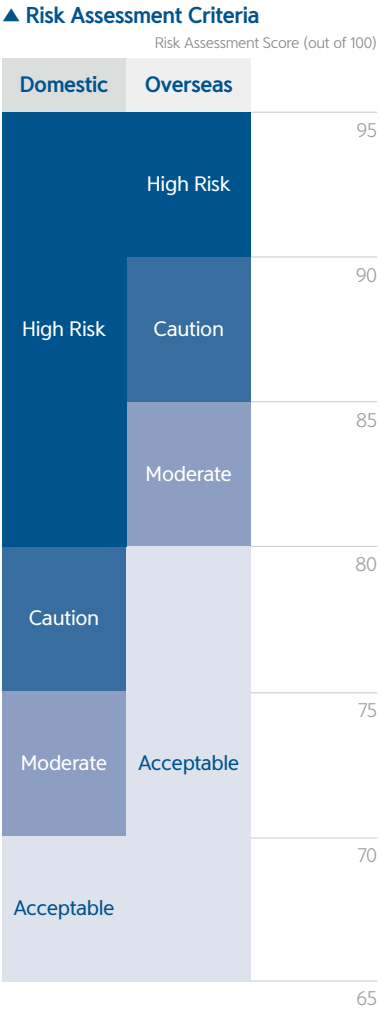
Risk Management Organization

Hyundai E&C identifies, evaluates, and manages various risks that may arise across overall management based on its enterprise risk management system. The Board of Directors contributes to the operation of internal controls and the risk management system by conducting prior deliberations and resolutions on overall financial and non-financial risks, as well as major management matters. In particular, it is strengthening board-level management and supervision of major ESG issues, including risks related to the environment and climate change. Accordingly, the company operates the Risk Management Committee for effective risk management, and has appointed the Chief Risk Officer as the Chairman to enhance the expertise and accountability of risk responses. Furthermore, non-financial risk management is executed centering on the consultative body under the Sustainability Management Committee, which regularly reviews major ESG-related risks, response statuses, implementation performances, and future plans. Chang Hwa-Jin, Chairperson of the Sustainability Management Committee, contributes to the advancement of the enterprise ESG and non-financial risk management system based on her expertise and experience accumulated in the global IT and management sectors. In addition, the company has established a risk reporting line running from individual business divisions to the CEO and the Board of Directors, ensuring prompt reporting and responses to major risks. The independent Audit Committee secures the effectiveness of enterprise risk management by continuously monitoring the appropriateness and implementation status of risk management policies and response measures.



Risk Management Process

Hyundai E&C operates an integrated risk management system encompassing overall financial and non-financial dimensions to prevent and respond to various risks that could undermine sustainable management. Enterprise risks are managed regularly at least twice a year, with ad-hoc inspections conducted in parallel as needed to ensure the timeliness of risk responses. Furthermore, based on a granular risk classification system, the company systematically identifies, evaluates, and manages major risks that may affect its management goals and strategic directions. To reinforce risk management across all project stages, the company is upgrading its stage-by-stage risk management processes from the bidding and project initiation stages through to the execution stage. Through this framework, risks are proactively identified at the initial stages of a project, and during the execution stage, on-site risk management functions are reinforced through continuous monitoring, thereby seeking profitability improvements and enhancing corporate value. Under the supervision of the Risk Management Committee, dedicated organizations for each field primarily review alignment with the company's mid-to-long-term portfolio strategy and make strategic decisions regarding project participation and driving directions by comprehensively considering project execution capabilities, profitability, and ESG risks. Secondly, residual risks are inspected through regular monitoring of core risks, and risk mitigation measures are established and implemented as necessary. In addition, a response system for crisis scenarios has been established to respond promptly to major risks that may arise during project execution. Moreover, the company quantitatively measures domestic and overseas project risks through a risk assessment system, applying differentiated evaluation criteria depending on regional and project characteristics. For overseas projects, a risk score of 90 or higher is classified as high risk, while scores below 90 are managed as acceptable levels. For domestic projects, a more conservative standard is applied, classifying scores exceeding 80 as high-risk projects and implementing proactive management measures. These risk appetite criteria are reflected in internal Standard Operating Procedures (SOPs) and utilized as consistent benchmarks throughout the entire process of risk identification, evaluation, monitoring, and control. In addition, the company is continuously expanding the scope of non-financial risk management, including ESG and climate-related risks, to reinforce the effectiveness of its enterprise risk management system.



Corporate Governance ESRS-G1

Integrated Risk Management

Risk Classification

Hyundai E&C has established a comprehensive risk classification system that covers all 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 affect the company's management goals and strategic direction. The company uses a risk breakdown structure (RBS) to conduct comprehensive analyses of the likelihood, impact, and frequency of company-wide risks. To enhance the efficiency of its risk management process, an IT-based risk management system has been embedded into its business operations. Key risks are categorized into financial, project-related, and emerging risks—each group managed according to their characteristics. Advanced management protocols are applied to risks that may have a significant impact on business operations, including those related to safety, the environment, and quality. Safety and environmental risks are addressed across the organization based on its health, safety, and environmental (HSE) framework, whereas quality risks are managed through its quality management system. The company is also in the process of establishing a response system for national-level risks. Furthermore, the company conducts sensitivity testing and stress analyses to better identify and respond to a wide range of risks.

(Unit: Likelihood, Impact (L: Low, M: Medium, H: High))

Category	Risk Type	Likelihood	Impact	Responsible Organization	Management Activity
Financial/ Operational	Financial	M	MH	Financial Management Group, Finance & Accounting Planning Team	Financial risk assessment, internal accounting management
	Business	M	MH	Budget Management Group, Project Management Group, Global Marketing Support Group	Review of orders, key business risk monitoring, establishment of guidelines on bidding for overseas projects, review of risks by country
Environmental	Climate Change	MH	MH	Environmental Management Team, Sustainability Team	Establishment of 2045 Net-Zero roadmap, GHG reduction at sites (e.g., renewable energy procurement), analysis of climate change risks, regular raw material price monitoring, contract amount adjustment
	Environmental Pollution	M	M	Environmental Management Team	Compliance with environmental laws, site inspections, waste management, water stress analysis, biodiversity protection, environmental pollution management (e.g., soil remediation, eco-friendly HVAC systems)
Social	Safety and Health	H	H	Safety & Quality Division	Strengthening safety and health organization and activities (e.g., risk assessment, smart safety technologies, training), supplier safety management
	Supply Chain	M	MH	Procurement Innovation Division	Compliance with Supplier Code of Conduct, supply chain sustainability assessment, counterparty due diligence, ESG education and consulting
	Human Rights	MH	MH	HR Management Group, Project Management Group	Compliance with Human Rights Charter, human rights risk assessment, on-site inspection, grievance mechanism
	Quality	MH	H	Safety & Quality Division	Establishment of a quality management system, prevention of defects, implementation of quality control measures (e.g., smart quality management systems, quality diagnostics, training programs)
Governance	Ethics and Compliance	M	MH	Legal Affairs Group, Auditing Group	Compliance with Ethics Charter and Code of Conduct, compliance council, CP, ISO 37001, internal audit, whistleblower protection, cyber audit, Ethics Committee deliberation
	Information Security	ML	M	Security Management Group	Information security management system, asset protection and leak prevention, vulnerability inspections

Risk Audit

To strengthen enterprise risk control, Hyundai E&C identifies and evaluates potential risk factors based on major business processes to establish and operate control activities. The system is operated by combining operational audits for risk management, continuous compliance monitoring, and periodic inspections when necessary, and is performed across all organizations including the headquarters, project sites, subsidiaries, and overseas corporations. In particular, the company has established internal controls for key business processes such as budget management, procurement management, fund management, and IT operations, and continuously conducts inspections and monitoring on the operating status of internal controls considering the materiality and financial impact of risks. Furthermore, through the Internal Accounting Control System, the company operates a risk management framework by clearly separating the roles and responsibilities among the management, the Audit Committee, and the external auditor. The management reports the operation and operating status of the Internal Accounting Control System to the Audit Committee and the Board of Directors, and the Audit Committee reports the evaluation results thereof to the Board of Directors. Regarding the Internal Accounting Control System, the external auditor conducts an audit every fiscal year, and the audit results are reported and disclosed to the financial authorities. In addition, in the case of safety and health risks, verification of the management system is performed through regular external certifications and surveillance audits in accordance with international and domestic certification standards such as ISO 45001 and KOSHA-MS. Hyundai E&C secures the effectiveness of its risk management system through these internal inspection frameworks, external certifications, and financial audits, and plans to continuously upgrade its risk management and inspection systems in the future by referencing global risk management standards (such as ISO 31000).

Internal and External Risk Audits

Hyundai E&C conducts regular audits of all project sites and subsidiaries to inspect compliance with internal regulations and the appropriateness of business processing. Audit results are reported regularly to the CEO and the Audit Committee every year, and in the case of irregular audit results, ad-hoc business reports are made to the CEO from time to time. In addition, the company periodically performs internal audits and management diagnostics to proactively identify and prevent operational risks that may arise at the headquarters, subsidiaries, and affiliates. The external auditor conducts an audit of the company's Internal Accounting Control System (IACS) every fiscal year and discloses the results annually. Furthermore, to secure the independence of the Internal Accounting Control System, not only the company but also the Audit Committee and the external auditor evaluate the Internal Accounting Control System, and the operational status and results of the Internal Accounting Control System are reported to the Audit Committee.

Risk Management Culture

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

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

Corporate Governance ESRS-G1

Integrated Risk Management

Emerging Risks

Risk	Emerging Business Operational Risks from AI Transformation	Intensifying Procurement Competition for Construction Equipment Electrification Driven by Future Mobility Transformation	Weakening of Business Competitiveness Due to Stringent Requirements for Natural Capital and Biodiversity
Category	Technology	Technology	Environment
Description 	As the application of AI and digital technologies expands across major tasks throughout the construction industry—including design, estimation, process management, and safety management—Hyundai E&C is driving AI innovation to sophisticated its on-site safety management system through joint development with smart safety technology. However, as the scope of AI utilization widens, management issues newly emerge, such as data quality and judgment reliability. This can cause potential gaps in project execution methods and operation, moving beyond simple IT security risks, and carries the potential to expand into a potential new risk that directly links to strategic business decisions and impacts overall operational processes.	As the global transition to carbon neutrality and demands for low-carbon construction sites expand, low-carbon construction equipment utilizing electricity and hydrogen, rather than traditional gasoline and diesel, is being launched in the construction equipment market. However, due to limitations such as battery and charging infrastructure, equipment runtime, and equipment power output, the speed of adoption may vary depending on the applicability of construction sites. If a large number of construction companies simultaneously drive low-carbon construction equipment procurement, competition for equipment sourcing and site deployment capabilities is projected to intensify.	Natural capital and biodiversity conservation are gaining increasing importance in global sustainable management and investor evaluations, and the construction industry is directly exposed to nature-related risks due to land use, habitat destruction, and water/soil impacts. If global clients, investors, and local communities demand more stringent natural capital management levels, deficiencies in biodiversity management can escalate into long-term risks that affect project execution capabilities and competitiveness beyond individual on-site environmental issues.
Impact 	During the AI-based business transformation process, inaccuracies and low reliability in core tasks—such as Hyundai E&C’s design review, process prediction, safety management, and cost estimation—may occur due to data errors, model judgment errors, security vulnerabilities, or poor integration between systems. Additionally, if AI utilization standards and accountability frameworks are not sufficiently established, it could lead to improper executive decision-making, delays in quality and safety risk checks, and a loss of customer and investor trust. In the mid-to-long term, this can serve as a factor determining bidding competitiveness, project productivity, and digital transformation outcomes based on AI capability and governance levels, thereby impacting Hyundai E&C’s business operations and competitive advantage.	If the supply of electrified construction equipment fails to sufficiently meet market demand, or if equipment runtimes are not adequately secured at each site due to a lack of charging infrastructure and equipment, operations may be impacted through project delays, increased equipment leasing and procurement costs, and decreased on-site operational efficiency. In particular, if clients reinforce conditions such as mandatory use of low-carbon equipment, reduction of carbon emissions during construction, and reduction of noise and air pollution, the capability to secure electrified equipment could directly impact bidding competitiveness and project execution capabilities.	If biodiversity impacts are not sufficiently identified and managed, Hyundai E&C may face impacts such as licensing delays, design changes, construction method modifications, increased costs for protecting and relocating endangered species and restoring habitats, and construction schedule delays. Moreover, since ecological damage in sensitive areas can lead to a decrease in local community acceptance, disadvantages in client bidding evaluations, and a loss of trust from ESG rating agencies and investors, restrictions may arise in Hyundai E&C’s project bidding competitiveness and sustainable project portfolio operations.
Mitigating Actions 	To mitigate operational risks arising from the expansion of AI and digital construction technologies, Hyundai E&C is reinforcing data-driven review systems and field-validation-centered technology applications across the design, construction, and safety management stages. In the design stage, the company mitigates defects by identifying data errors before construction and applies AI-based automated drawing technology, while establishing a collaboration framework where multiple stakeholders can share and review construction information in real-time utilizing VR-based risk reviews and a Common Data Environment (CDE). Furthermore, in high-risk working environments such as underground tunnels, the company applies an AI smart safety system integrating AI video recognition and IoT sensors to identify on-site risk factors in real-time and prevent safety accidents. Through this, Hyundai E&C manages its processes to mitigate risks such as data errors, low decision-making reliability, and lack of field applicability that may occur during AI utilization, ensuring that AI-based business transformation drives project productivity and enhanced safety management.	To respond to the transition toward low-carbon construction sites and the expansion of construction equipment electrification, Hyundai E&C is driving activities to step-by-step reduce energy use and greenhouse gas emissions during site operation processes. The company plans to convert business vehicles at domestic sites to eco-friendly vehicles by 2030 and gradually reduce fossil fuel use by applying electrified construction equipment in the mid-to-long term. Additionally, it systematically manages site-level energy consumption and emissions by expanding renewable energy use at site offices, automating GHG emissions collection systems, and segmenting site data. Along with this, the company minimizes construction periods, enhances productivity, and drives carbon emission reductions during the construction phase by introducing digital construction technologies such as BIM, IoT, and robotics alongside OSC (Off-Site Construction) methods. Through this, Hyundai E&C aims to mitigate on-site operational burdens caused by future low-carbon equipment supply shortages and intensifying equipment sourcing competition, while reinforcing on-site operational capabilities to respond to client demands for low-carbon construction and carbon neutrality implementation standards.	Hyundai E&C establishes biodiversity protection policies and drives biodiversity risk assessments, habitat protection, endangered species relocation, and construction method mitigation measures, focusing on areas adjacent to business sites and protected areas. It also manages biodiversity impacts through protection systems for endangered species and site-specific protection measures. The company reinforces implementation capabilities by cooperating with stakeholders, including expert institutions, near its business sites. Along with this, it has signed a business agreement for biodiversity conservation and restoration with Gangwon State, the Gangwon Nature and Environment Research Center, and World Vision to drive the ‘H-Nature’ project for native and endemic plant conservation. In this project, Hyundai E&C plays a role in supporting the biodiversity conservation initiative and backing the overall project, including site selection and quality inspection.

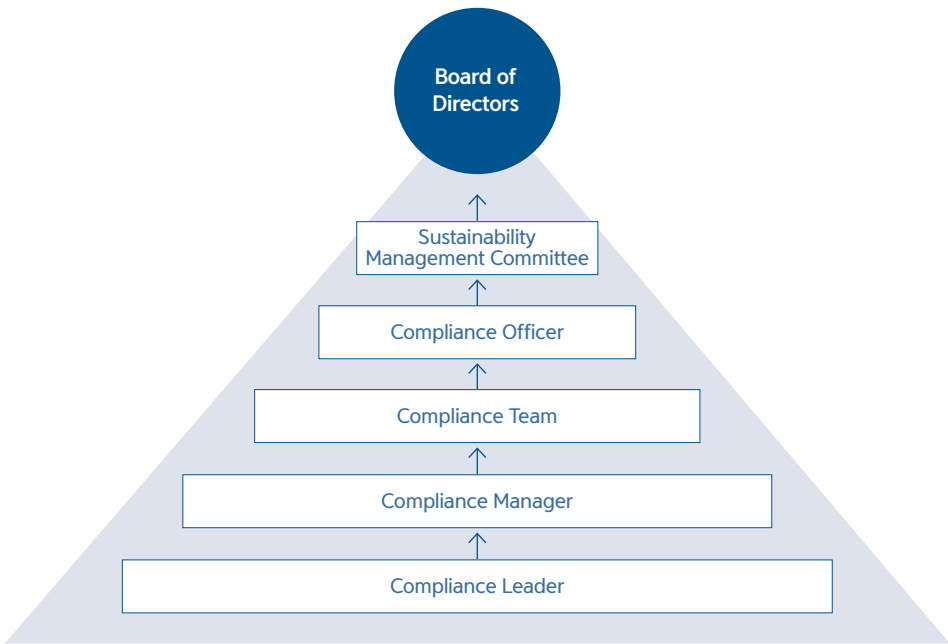
Ethics & Compliance Management ESRS-G1

Governance

To grow into a company that stakeholders can trust, Hyundai E&C is strengthening customer responsibility management, establishing a fair and transparent transaction culture with stakeholders such as suppliers and investors, and building an ethics and compliance management system based on the principle of responsible information disclosure.

Hyundai E&C raises the compliance awareness of executives and employees through an organizational structure consisting of the Board of Directors, Sustainability Management Committee, and Compliance Officer. The Sustainability Management Committee reviews and approves major agendas related to the Fair Trade Compliance Program (CP), ethical management policies, and ethical management implementation. In addition, the Board of Directors deliberates and resolves on ethics and compliance-related policies and agendas through the Sustainability Management Committee, and comprehensively manages risks by monitoring the implementation and improvement of compliance systems such as fair trade and anti-corruption. Furthermore, based on the Board of Directors operational regulations, the company has appointed a Compliance Officer to oversee compliance operations, and the Compliance Team, a working-level organization, supports the Compliance Officer. Since 2023, a domestic attorney with a prosecutor background has been appointed as the Compliance Officer through Board resolutions to strengthen the ethics and compliance system. The company has designated the heads of internal business divisions as a compliance manager and appointed compliance practice leaders at headquarters teams, project sites, and branch offices, thereby establishing a delivery system for ethics and compliance laws and policies. Based on this, the company conducted training on the requirements of internal compliance policies and systems and managed implementation achievements. Moreover, a compliance council meeting involving compliance Manager and Compliance Leader is held once a month, where compliance leaders share important ethics and compliance agendas within the organization to reinforce response capabilities. As of 2025, the numbers of Compliance Managers and Compliance Leaders are 14 and 361, respectively.

▲ Ethics Management Governance Organization



Strategy

Vision and Direction for Ethics and Compliance Management

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

Strategic Direction	
Leaping into a Globally Transparent and Ethical Enterprise	Detailed Action Tasks
- Realizing Customer Responsibility Management - Establishing a Fair and Transparent Transaction Culture with Stakeholders, including Suppliers and Investors - Establishing and Implementing Principles for Disclosing Information on Negative and Controversial Company Issues	- Establishing an Ethical Framework to Build Management Organizations and Systems - Enhancing Ethical Awareness, including Shared Growth with Suppliers

▲ Ethics Management Concepts and Policies

Relationship with Stakeholders	Fair Competition in the Market Economy	Corporate Social Responsibilities	Ethical Practice in Doing Business
- Build customer trust - Maximize shareholder value - Respect employees and promote equality	- Prohibit any form of bribery - Reject any form of cartel activities - Pursue mutual growth with small and medium-sized enterprises (SMEs)	- Comply with applicable laws - Contribute to social development and local community - Protect the environment through eco-friendly businesses	- Do not accept any improper payments - Protect company assets - Prevent insider trading - Respect social norms - Make better working environment

Ethics & Compliance Management ESRS-G1

Risk Management

Ethics and Compliance Policy, Standards, and Systems

Ethics and Compliance Policy

Ethics Charter and Code of Conduct

Hyundai E&C has established an Ethics Charter and Code of Conduct based on international declarations and conventions such as the UN Universal Declaration of Human Rights (UDHR), the UN Convention against Corruption, and the OECD Anti-Bribery Convention. The company is committed to practicing ethics and compliance management trusted by its stakeholders.

▲ Five Guiding Principles at Hyundai E&C

Moral Pride In HDEC

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

Ethics for Executives Employees	• We shall perform our duties according to clear and transparent standards, and do our utmost to fulfill our responsibilities with integrity.
Fair Competition and Trade	• We shall compete in the market fairly and conduct business ethically with parties that engage in contractual relationships with us.
Realization of Customer Value	• We shall provide safe products, exceptional services and accurate information, and we rigorously protect personal information to increase customer value.
Respect for Employees	• We shall respect our members as independent individuals, and to this end, we provide fair working conditions and safe working environments.
Commitment to Sustainability	• 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

Anti-Corruption Policy

Hyundai E&C has established Anti-Corruption Policy to prevent risks associated with corruption and bribery practices. The regulations mandate that the highest decision-maker in charge of compliance management reviews and approves them, while major policies related to ethical management are deliberated and resolved by the Board of Directors and the Sustainability Committee. Furthermore, it prohibits all forms of direct and indirect political contributions, requires compliance with laws and regulations related to anti-corruption and anti-bribery, and serves as a baseline for judgment on ethics and compliance matters by including employee self-diagnostic checklists for gifts, regulations on charitable donations by employees, gift-giving guidelines, and training on anti-corruption and how to utilize reporting channels.

Ethics and Compliance Policy and System

Hyundai E&C monitors the implementation status of ethics and compliance management centering on the internal Compliance Council, and has established a Two-Track response system focused on the Compliance Team and the Audit Office for prompt and effective responses to compliance issues. In addition, the company creates an environment where executives and employees can safely raise related issues through compliance counseling and whistleblowing processes. Furthermore, the company operates an anti-corruption management system based on the 'ISO 37001 (Anti-Bribery Management System)' certification. In 2025, it reported the ISO 37001 manual and management review report to the Board of Directors, and disseminated details related to the ISO 37001 anti-corruption management system through basic training for the Fair Trade Compliance Program (CP). Additionally, specific anti-corruption targets were set for each business unit, team, and department, and measures such as collecting integrity pledges from suppliers' site managers were implemented. Moreover, the operational level is inspected every year through audits by a third-party certification body; following the initial certification in 2021, the company obtained ISO 37001 recertification in 2024 and completed a surveillance audit in 2025.

▲ Anti-Bribery Policy & Management Objectives

Anti-Bribery Management Objectives

Implementation of Solid ABMS

- Enhancing Global Operation of ABMS
- Strengthening Individual Capability in ABMS
- Reinforcing a Corporate Culture of Anti-Bribery

February 2025
Han Woo Lee CEO

Anti-Bribery Policy

Hyundai E&C acknowledges the implementation of an Anti-Bribery Management System as a key management of corporate sustainability, and then commits to best efforts to identify, detect and address bribery risks in its business activities.

In order to fulfill the above, Hyundai E&C will:

- Comply with applicable anti-bribery laws and regulations.
- Identify bribery risks and implement proper control on a regular basis.
- Set detailed goals and conduct an internal audit on a regular basis.
- Provide an anti-bribery policy and proper training program.
- Operate reporting channels and protect whistleblowers.
- Apply disciplinary measures for corrupt practices.

All management staffs fully understand and faithfully fulfill the objectives above.

February 2025
Han Woo Lee CEO

▲ ISO 37001(Anti-Bribery Management System)

Certification Standards	ISO 37001
Certification Body	LRQA
Scope of Certification	All business operations and support departments
Validity Period	November 7, 2027



Hyundai E&C has had a corporate fine (KRW 50 million) finalized due to a violation of the "Act on the Improvement of Urban Areas and Residential Environments" during the contractor selection process for the Banpo Jugong Apartment Unit 1 Reconstruction Project. Accordingly, to prevent the recurrence of similar cases, the company is implementing corrective measures by enhancing ethics and compliance training for executives and employees related to urban redevelopment projects, and reinforcing internal control procedures, such as collecting pledges to ensure compliance with laws and regulations when performing related duties.

Ethics & Compliance Management ESRS-G1

Risk Management

Fair Trade Compliance Program

Operation of the Fair Trade Compliance Program

Hyundai E&C complies with fair trade-related laws and regulations, such as the Monopoly Regulation and Fair Trade Act, the Fair Transactions in Subcontracting Act, and the Act on Fair Labeling and Advertising. To raise the compliance awareness of executives and employees and to strengthen internal controls across overall transactions—including collusion, internal transactions, labeling/advertising, and subcontracting—the company has been operating the Fair Trade Compliance Program (CP) since 2011. The CP serves as an internal compliance framework to preemptively prevent violations of fair trade-related laws and regulations and to establish a fair and transparent transaction culture. It provides codes of conduct and implementation procedures so that executives and employees can voluntarily comply with relevant laws and regulations during their work execution. The program's operational performance and plans are reported to the Board of Directors; in 2025, reports were made once each in the first and second half of the year, and the company achieved an “AA” grade in the CP rating evaluation by the Korea Fair Trade Mediation Agency. Additionally, since 2023, a new Compliance Manager has been appointed to oversee overall CP operations, managing responsibilities and authorities delegated by the Board of Directors. Furthermore, an internal Compliance Council meeting is held once a month to share domestic and international fair trade issues and policies. To achieve integrated risk management, fair trade compliance inspections are conducted on an ad-hoc basis, performing activities such as prior risk reviews for new internal transactions, prior inspections for labeling and advertising law violations at new sales sites, and operating the Subcontracting Dispute Mediation Council. Along with this, regular training on fair trade laws and regulations is conducted for executives and employees to raise compliance awareness. For matters requiring prior risk judgment or instances where potential legal violations are unclear during internal private contracts, subcontracting contracts, labeling/advertising, and monitoring processes, the company operates a prior review and consultation system for employees driving fair trade-related tasks.

▲ Eight Key Factors in CP

1	Prepare and execute CP standards and procedures	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
3	Appoint manager responsible for compliance	7	Impose restrictions on employees who violated the Monopoly Regulation and Fair Trade Act
4	Create and use compliance manual	8	Evaluate effectiveness and prepare improvement measures

Risk Assessment on Unfair Trade and Competition

Hyundai E&C has established criteria for assessing fair trade-related risks and specified these procedures in the CP operations manual. The process involves identifying potential risks, analyzing their causes and expected impact, and establishing and implementing control measures. Afterward, each department conducts self-assessments and monitoring. Under this process, the company provides annual training on fair trade laws and the CP operations manual. To evaluate the effectiveness of the training, assessments are conducted for all employees and managers. In the 2025 evaluation, the company maintained high scores in awareness of Fair Trade Act and other regulations (96.6 points), awareness of CP operational rules (97.2 points), and compliance culture (91.4 points). In 2026, the company plans to further disseminate its CP operations and the compliance manual across the organization through various channels—such as a slogan contest, quizzes, and awards—while providing related training.

Ethics and Compliance Training

Ethics and Compliance Training for Employees and Suppliers

Hyundai E&C conducts annual ethics and compliance training, including anti-corruption and fair trade compliance, for its executives and employees, and raises compliance awareness by selecting target departments for key sectors to run customized specialized training in parallel. The detailed training topics consist of anti-corruption and transparent ethics, internal transactions, and labeling/advertising. As a result of conducting training evaluations for participants who completed the department-specific specialized training, the average score in the comprehension category was 94.1 points, an increase of 2.7 points compared to the previous year. Additionally, to internalize compliance management awareness among suppliers, the Procurement Innovation Division supervises annual transparent ethics training for suppliers, and in 2025, training was conducted for a total of 814 companies. The detailed training topics included revised laws and regulations, government policy directions, and cases of ethics and transparency violations. Furthermore, the company creates a transparent and fair transaction culture by collecting integrity pledges from suppliers.

▲ Ethics and Compliance Training Conducted in 2025 (Unit: persons)			
Program	Details	Target	Trainees
Anti-Corruption (Ethics) Training	Anti-bribery laws in Korea and abroad	All employees	6,192
Counterparty Compliance Due Diligence	Compliance due diligence guidelines, scope of counterparties	Bidding departments	16
Internal Auditor Training	ISO 37001 structure and anti-bribery management system	Management support departments	14
ISO 37001 Training			14
Compliance Training on Construction-Related Laws	Fair Transactions in Subcontracting Act, Fair Trade Act, preventing technology misappropriation	All employees	6,192
Transparency and Ethics Training	Code of Ethics, ethics management	Suppliers	814
Anti-Collusion Training	Information exchange	Sales and estimation departments	436
Preventing Unfair Internal Trading	Wrongful support, regulations on private profit-taking	Procurement/finance/support departments	210
Act on Fair Labeling and Advertising / Act on the Regulation of Terms and Conditions	Case study of wrongful labeling and advertising	Marketing department	70
Business combination and consolidation	Suppression of economic power concentration	Sales department	107
CP Training	Fair trade laws that the company is mandated to comply with	Executives	17
		Managers	765
		All employees	4,714

Anti-Corruption and Anti-Bribery Training for Employees

Hyundai E&C conducts annual common training on domestic and international anti-corruption laws, anti-corruption management systems, and policies to internalize the anti-corruption capabilities of executives and employees and to spread an anti-corruption culture, and a total of 6,977 people completed the training in 2025. In addition, Hyundai E&C provides customized training considering the jobs and titles of executives and employees, and conducts 'Major Overseas Country Anti-Corruption Training' for executives and employees at the headquarters, branch offices, and project sites to reinforce awareness of local anti-corruption laws and corruption risks in overseas countries where major business sites are located, expanding the target countries and contents every year. Furthermore, the company minimizes corruption risks by operating training programs for departments with high risks of corruption and bribery. In 2025, various anti-corruption training sessions were conducted for sales and estimation departments, the Procurement Innovation Division, the Finance & Accounting Division, management support departments, marketing departments, design and estimation departments, and employees working in major entry countries, which have relatively high anti-corruption risks. Under the supervision of each department, training contents suitable for anti-corruption—including Fair Trade Act, the Fair Transactions in Subcontracting Act, industrial security, and technology protection—were prepared and implemented.

Ethics & Compliance Management ESRS-G1

Risk Management

Process for Handling Ethical Violations

Whistleblowing Channel

Cyber Audit Office

Hyundai E&C’s Cyber Audit Office receives and handles reports concerning abuse of power, preferential treatment to specific vendors, acceptance of money or entertainment, internal information leakage, embezzlement or theft of company funds, and other violations of ethical regulations. To ensure accurate fact-finding and effective incident response, reports are primarily accepted under real names in a confidential manner; however, an anonymous reporting option is also available. For cases requiring review by an external agency (e.g., accounting/law firm), additional investigations are conducted through third-party agencies. Furthermore, to improve accessibility for whistleblowers, the company discloses its Whistleblowing Policy and Procedure on its official website and provide guidelines on using the Cyber Audit Office’s reporting channel and other relevant information. Further details on the reporting channel are provided during employee ethics training.

Case Received	Review of Case Details	Investigation	Investigation Results	Appeal
When a whistleblowing case is received, the company confirms the fact of receipt.	Review of the case details to determine whether a full-scale investigation is necessary.	If the necessity of a full-scale investigation is recognized, one of the following procedures is selected and pursued ㉠ Internal Investigation: Investigation of the case with the participation of company management, the Auditing Group, or the Legal Affairs Group ㉡ External Outsourced Investigation: Entrusting the investigation to appropriate external experts, such as an external accounting firm or law firm.	Notifying executives and employees of the results and details of the investigation (if applicable).	If an executive or employee is dissatisfied with the investigation results or has complaints regarding the investigation handling process, they may separately file an appeal, and may request a reinvestigation if there is a justifiable reason.

Whistleblowing Policy and Procedure

Whistleblowing Policy and Procedure

Hyundai E&C has relevant regulations in place to protect whistleblowers and complies with the laws and regulations of each country where the company operates. In accordance with its Whistleblowing Policy and Procedure, the person responsible for handling internal reports is designated as either the head of the Legal Affairs Group or the Auditing Group, thereby establishing a reporting management system. Its whistleblower system applies to all employees regardless of employment type and guarantees whistleblowers their fundamental human rights, including the presumption of innocence, the right to effective remedies and a fair trial, and the right to defense. The system also covers protective measures such as guaranteeing the anonymity of whistleblowers, prohibiting retaliation or other disadvantages, and imposing disciplinary measures for acts that hinder the whistleblower’s right to raise concerns. In the event of retaliation against whistleblowers, the company takes action in accordance with a zero-tolerance policy.

Disciplinary Regulations for Violations of Ethics and Compliance Management

Pursuant to Article 132 (Grounds for Disciplinary Action) of Hyundai E&C’s Employment Regulations, violations of ethics and compliance-related codes are subject to appropriate action based on a zero-tolerance policy. Such violations are managed in connection with its disciplinary and compensation system, and violators may be subject to disciplinary actions such as dismissal, suspension, or pay cut in accordance with the regulations of its Disciplinary Committee.

Prevention and Detection of Corruption and Bribery

Establishment of a Compliance Portal

In 2025, Hyundai E&C established a compliance portal—a platform designed to manage and implement the company’s compliance management practices in one place. The portal offers compliance-related content, including organizational management, the latest ethics and compliance news, and the operation of international anti-corruption certification systems, enabling users to easily locate and utilize the compliance information needed for their work processes. Additionally, the company conducts risk assessments, distributes manuals and training materials, implements a pre-work consultation system, and performs effectiveness evaluations. Through these efforts, the company has improved operational efficiency and elevated its risk management capabilities in areas such as investment, contracting, and third-party evaluations.

Activities to Prevent Corruption and Bribery for Suppliers

Since November 2022, Hyundai E&C has been requesting site agents of all suppliers to submit an integrity pact outlining commitments to anti-corruption and compliance regulations, with the aim of raising awareness of ethics and compliance at each site and foster a fair corporate culture. In 2025, a total of 814 integrity pacts were submitted. Additionally, in an effort to reinforce compliance obligations throughout the entire construction process, the company has incorporated standard compliance clauses into its standard contract agreements applicable to all projects.

Management of Supplier Relationships and Supply Chain Impact

Counterparty Compliance Due Diligence

To preemptively identify and manage potential legal risk factors inherent in domestic and overseas business partners, Hyundai E&C revised its Third-Party Compliance Due Diligence Regulations (Guidelines) in 2021 and introduced a due diligence system based on the revised criteria from January 2022. In accordance with the guidelines, contract managers can evaluate the potential legal risks of a business partner prior to signing a contract. Compliance due diligence is operated as a procedure to review the presence of legal risks by starting with sending questionnaires to the business partner and analyzing the replies and submitted evidence. Contracts can be concluded only when the evaluation result indicates low legal risk, and standard compliance clauses are included during contract signing. Furthermore, the maintenance and preservation of compliance due diligence records and due diligence monitoring are performed through the compliance organization. In 2025, compliance due diligence was conducted for a total of 1,621 companies. In principle, concluding contracts with business partners where risks have been identified is prohibited, and when necessary, the Compliance Team performs enhanced due diligence on high-risk business partners to review whether the risks can be mitigated.

Policy to Prevent Late Payments

To establish a fair competition order, Hyundai E&C has published a Fair Trade Compliance Manual and complies with business guidelines for fair and transparent transactions with stakeholders, including suppliers. The company has enacted guidelines to comply with fair trade-related laws and regulations—such as unfair collaborative acts (collusion), undue internal transactions, enterprise group regulations, business combinations, unfair practices related to subcontracting, and the Act on Fair Labeling and Advertising—and particularly applies policies regarding advance payment obligations, payment obligations to prevent delays in subcontracting payments, and the subcontract price indexation system when transacting with small, medium, and mid-sized enterprises. In 2025, Hyundai E&C executed a total of 29,170 payments, all of which were made in accordance with standard payment terms. The average number of days taken from the start date of the contractual and statutory payment period to the actual payment date was 11.8 days, and no litigation cases occurred due to payment delays.

Ethics & Compliance Management ESRS-G1

Metrics and Targets

Metrics

Anti-corruption

To internalize its anti-corruption management system, Hyundai E&C reports the operational status and plans of its Fair Trade Compliance Program (CP) to the Board of Directors, while conducting internal audits and auditor training. The company establishes systems and training programs to reinforce the anti-corruption capabilities and cultivate the ethics and compliance awareness of its executives and employees, conducting customized ethics and compliance training every year by department, business unit, title, and country. Through these initiatives, the company enhances comprehension of domestic and international anti-corruption laws, as well as anti-corruption management systems and policies.

▲ Cyber Audit Office Report Status

(Unit: cases)

Category	2022	2023	2024	2025
Number of reports	151	178	228	126
Number of cases proven to be true	64	46	16	12
Number of cases proven to be false	87	132	212	114

▲ Ethics Violation Cases in 2025¹⁾²⁾

(Unit: cases)

Category	2025
Total no. of ethics violations	16
Corruption or bribery (Acceptance of hospitality/gifts)	10
Discrimination or harassment	6
Customer privacy data	0
Conflicts of interest	0
Money laundering or insider trading	0
Other	0

1) Resolution Criteria of the Rewards and Punishments Committee
2) The number of cases where contracts with suppliers (business partners) were terminated or not renewed due to corruption-related violations is 0

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 2025, the company achieved zero antitrust-related fines, and the company aims to maintain zero dispositions for violations of fair trade laws from the Fair Trade Commission, such as warnings, corrective orders, fines, and disclosure violations, in 2026 as well.

▲ Anti-trust Penalties Paid

(Unit: Total penalties(KRW million), Ratio (%))

Category	2022	2023	2024	2025
Total penalties	0	0	0	0
Ratio of revenues	0	0	0	0

Ethics and Compliance Performance Evaluation

Hyundai E&C incorporates ethics and compliance-related items into employee performance evaluations, which are conducted annually. During the evaluation, the company confirms 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 violations are subject to disciplinary measures such as dismissal, suspension, or a pay cut.

KPIs on Fair Trade

Each year, Hyundai E&C evaluates fair trade KPIs to strengthen its compliance management system. The evaluation covers key items such as the implementation of compliance training, the CEO's declaration of commitment to voluntary compliance, prior review of private contracts related to internal transactions, the revision and distribution of compliance guidelines, reporting of compliance plans and performance to the Board of Directors, and disclosure inspections by the Fair Trade Commission. Furthermore, upon the identification of any violations, the company immediately takes disciplinary measures, along with follow-up actions, to prevent recurrence. The company also evaluates the effectiveness of its internal control system after implementation to mitigate risks.

▲ Key Evaluation Items for Fair Trade KPIs

Collection of pledges for voluntary compliance(Mandatory for team leaders/executives, once a year)	Compliance training (Setting participants)
Prior review rate of private contracts related to internal transactions	Compliance plans/ performance reported to the Board of Directors (at least twice a year)

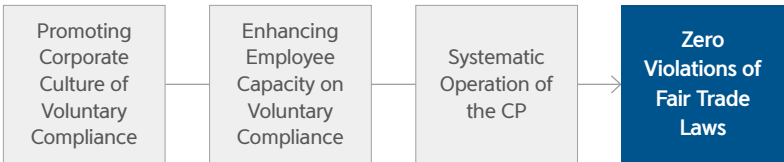
Targets

Hyundai E&C has established three management objectives aimed at operating anti-bribery management at a global level. The three objectives are: (i) enhancing global operations of the Anti-Bribery Management System; (ii) strengthening individual capability in anti-bribery; and (iii) reinforcing a corporate culture of anti-bribery. The company is also working to bolster its compliance management system with the goal of achieving zero violations of Fair Trade Act and regulations.

▲ Anti-bribery Management Objectives

1 Enhancing Global Operations of the Anti-Bribery Management System	2 Strengthening Individual Capability in Anti-bribery	3 Reinforcing a Corporate Culture of Anti-bribery
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▲ Fair Trade Compliance Management Objectives

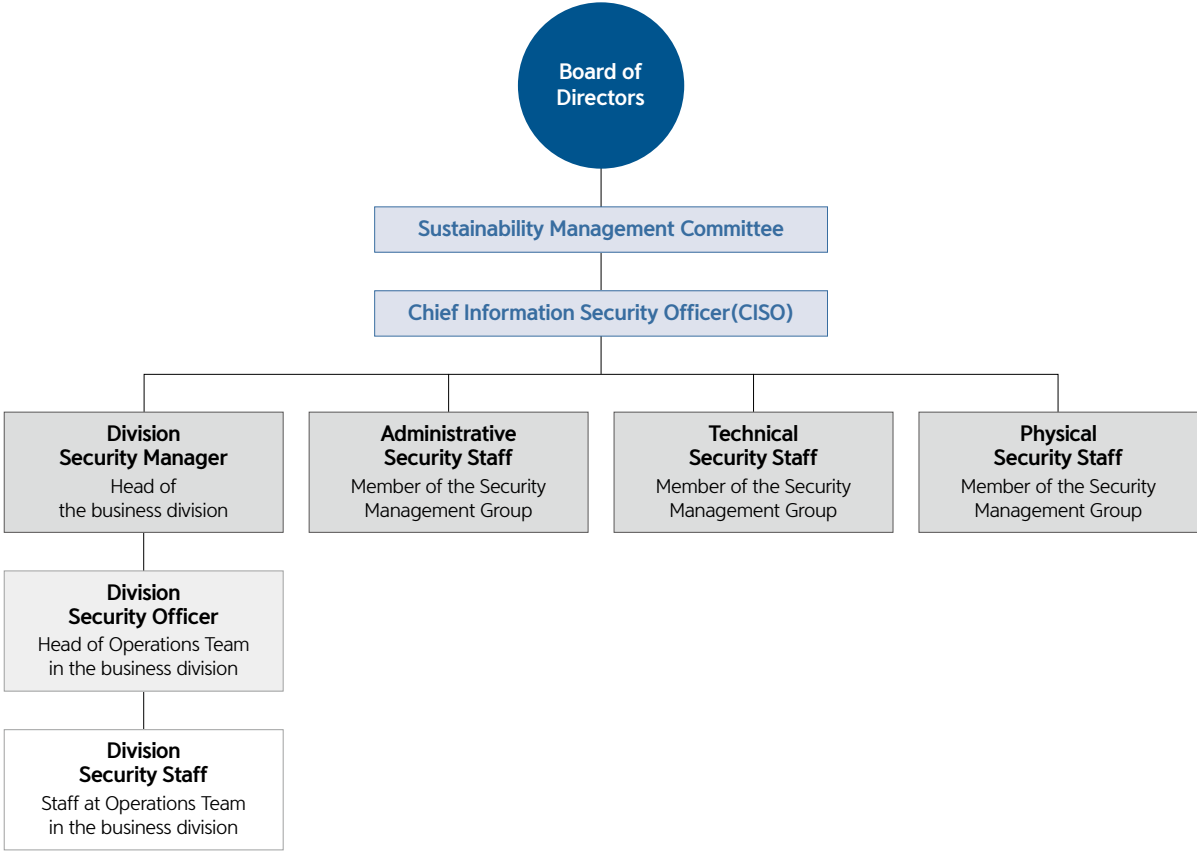


Information Security

Governance

Hyundai E&C leads innovation in smart construction technology by applying information technology throughout the entire lifecycle of design, construction, safety, and maintenance. To prevent information security risks such as cyber threats, the company has established an information security management system across all business sites and conducts various security activities through third-party certifications for management systems, including vulnerability analysis and mock hacking tests. The Sustainability Management Committee, Hyundai E&C's highest decision-making body for information security, reviews and approves major information security issues. The Chairman of this committee oversees its operations and supervises major information security decisions to ensure they are made appropriately. Furthermore, to establish a systematic management foundation for information security operations, the Head of the Security Operations Group is designated as the CISO (Chief Information Security Officer), overseeing all information security tasks to clarify accountability. Under the CISO, Segment Security Officers and personnel in charge of administrative, technical, and physical security are individually assigned to ensure specialized management for each security domain. Additionally, Division Security Officers designate Segment Division Officers/Staff to secure connectivity between headquarters and site-level practices. Major information security matters are reported to the Sustainability Management Committee under the Board of Directors, thereby strengthening the company-wide information security management and response framework.

▲ Information Security Governance Organization



Risk Management

Information Security Management

Information Security Management System(Control System)

Based on relevant laws and regulations regarding the protection of trade secrets, industrial secrets, and personal information, Hyundai E&C establishes and operates internal information security policies and management systems, strictly complying with domestic and international security laws and regulatory requirements. Furthermore, the company continuously identifies the latest information security issues and trends, utilizing these insights to update internal policies on both a regular and ad-hoc basis to support all employees in adhering to security standards. Accordingly, the company complies with the Privacy Policy under the Personal Information Protection Act, taking prompt and accurate actions to address grievances related to the personal information protection of its members and stakeholders.

Information Security Policy

Hyundai E&C is committed to continuously improving its information security management system based on Information Security Policy, which prioritizes ensuring data integrity and upgrading protection levels. The company also ensures constant monitoring of information security threats and rapid response to risks with a high likelihood of occurrence. To foster a security culture across the organization, all employees must sign an individual information security pledge to clarify individual responsibilities regarding information security. In addition, suppliers are also required to sign a pledge that includes specific information security requirements in an effort to raise the level of security management across the entire supply chain. Accordingly, this Information Security 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.

Information Security Management System

Hyundai E&C ensures the stable management of its information security systems and processes by continuously updating its information security regulations and policies in response to internal and external environment changes and security requirements. Following its acquisition of ISO 27001, a globally recognized certification for information security, across all business operations and support functions, the company has continued to renew the certification annually to ensure the reliability and operational standards of its information security management system.

▲ ISO 27001 (Information Security Management System)

Certification Standards	ISO 27001
Certification Body	BSI
Scope of Certification	All business operations and support departments
Validity Period	June 28, 2028



Information Security

Risk Management

Information Security Activities

Strengthening Information Security Inspection

Hyundai E&C conducts regular security inspections to proactively address internal and external risks and underlying vulnerabilities. To this end, diverse security measures are in place, including establishing and revising Information Security Policy, reviewing security source codes, developing and operating security systems, and preparing incident response manuals. The company is carrying out company-wide security inspections to prevent security incidents and continuously strengthen its systems to proactively respond to potential threats. Through these initiatives, Hyundai E&C secures the confidentiality, integrity, and availability of information against security threats, protecting the company’s information assets and contributing to enhanced security levels.

Target	Inspection	Frequency
Headquarters and Project sites	Internal security audit	Quarterly
	Mock hacking drills for infrastructure inspection	Annually
Employees	Clean desk audit	Quarterly
	Information leakage monitoring	As needed
Personal Data System/Management System	Inspection of internal personal data control plan	Annually
Personally Identifiable Information(PII) System/Management System	Inspection of PII control status	Once every 3 years

Information Security Vulnerability Assessments

To prevent the leakage of personal information collected, handled, and stored during its business operations, Hyundai E&C periodically conducts mock hacking drills on work systems to inspect the entire infrastructure system based on the Hyundai Motor Group’s security guidelines. In 2025, the company conducted regular vulnerability assessments through mock drills on 3,360 items across a total of 105 systems. As a result, the company identified 129 vulnerabilities—accounting for 3.8% of the total—which were subsequently addressed through improvement measures. Additionally, the company performs internal security inspections and audits to review its information security management system, and the company internally reviews and update its information security policies each year. The company carries out regular clean-desk audits 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.

▲ Information Security Vulnerability Assessments in 2025

(Unit: Vulnerabilities (cases), Percentage (%))

Category	Vulnerabilities	Percentage	Details
Risk Assessment	3,360	100	Mock Hacking items based on the Group Security Guidelines
Risk Identification	129	3.8	Vulnerabilities in encryption algorithms, exposure of sensitive information, etc.
Risk Mitigation	129	100	Application of enhanced encryption algorithms, correction of system error pages, etc.

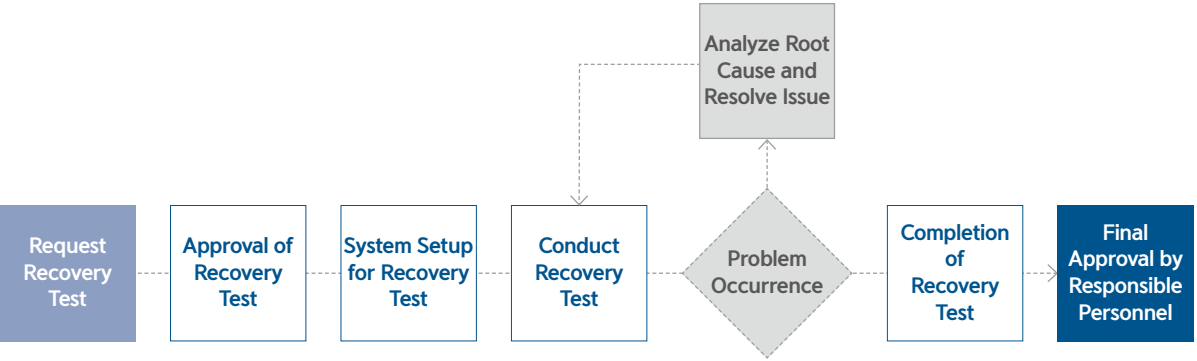
Reporting Process

Hyundai E&C operates a real-time escalation process to enable a swift response to the likelihood of security incidents. If signs of a security incident, such as a suspicious email, are detected during work, employees are required to immediately file a vulnerability report via the Security Portal system or contact the Security Management Group directly. Additionally, as part of its monitoring system, dedicated security teams have been established within each organization to share warning signs of information leakage through various channels, such as the intranet, website, email, SMS, and phone.

Information Security-related Business Continuity Plan

Hyundai E&C assesses the potential impact and severity of security incidents on business operations and has established systematic incident response procedures and rapid recovery strategies to ensure core functions and operations continue even during such incidents. In the event of an unexpected disruption, incidents are handled according to 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. At the same time, by reinforcing its procedure-based crisis response capabilities, the company is reducing potential losses and maintaining stable operations even under unforeseen security threats.

▲ Backup Data Recovery Test Process



Information Security

Risk Management

Information Security Activities

Security Operations Center

Hyundai E&C operates a sophisticated cybersecurity incident response system based on its Security Operations Center. The center monitors threats in real time to detect malicious code intrusions and cyberattacks, as well as ensures prompt response to identified risks. Based on this system, the center takes immediate action against potential security breaches to prevent further damage and actively responds to increasingly sophisticated cybersecurity threats.

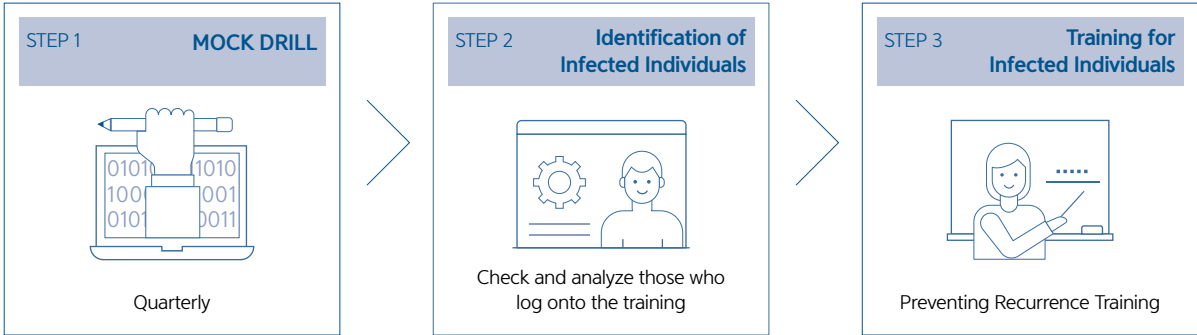
Malicious Email Response and Security System

To prevent the risk of malware infiltration and infection, Hyundai E&C conducts quarterly malicious email simulation drills. Through these drills, the company enhances employees' malware email identification capabilities and security awareness, strengthening response capabilities in real-world security threat situations. In addition, to reinforce endpoint security¹⁾, the company has established and operates various security systems, including harmful site and spam email blocking, network access control, document security, and media control. It also implements source code inspections to secure a safe development environment from the initial design stage.

1) Controlling the leakage of confidential or personal data from terminals, including PCs, tablets, mobile phones, and servers

▲ Overview of Phishing Simulation Exercises

Purpose	Target
Prevention of leakage and damage of company information due to infection by a malicious code	All employees



Information Security

Risk Management

Raising Information Security Awareness

Metrics and Targets

Metrics

Information Security Investment

Hyundai E&C has been designated as an entity subject to mandatory information security disclosure, publicly releasing information regarding its information security investments, professional workforce composition, and third-party certifications and audits through the Comprehensive Information Security Disclosure Portal. According to the 2024 Information Security Disclosure, the investment in the information security sector amounted to KRW 4,209 million, accounting for 11.1% of the total investment in the information technology sector. In 2025, the investment in the information security sector reached KRW 5,916 million, representing 14.4% of the total investment in the information technology sector, demonstrating an annual expansion of its information security investments.

(Unit: Investment(KRW million), Ratio(%))

Category	2022	2023	2024	2025
Information technology investment	29,996	37,910	37,761	41,152
Information security investment	2,962	3,483	4,209	5,916
Ratio of information security investment to Information technology investment	9.9	9.2	11.1	14.4

Targets

As a global construction leader, Hyundai E&C is nurturing a culture of information security and carrying out security activities based on fundamental principles to secure customer trust and lay a stable foundation for business operations. The company assesses the level of privacy management by training its personal data handlers and inspecting the implementation of internal control plans. As a result, the company has maintained zero cases of personal data breach. Moving forward, the company will continue its prevention-based efforts to maintain its record of zero information leakage and security breaches, and the company will strengthen its proactive response capabilities to create a safe information security environment.

CASE

Application of Sustainable AI Technology

Enhanced Information Security with AI

Hyundai E&C is the first construction company to adopt cutting-edge residential technologies such as the Hi-oT smart home system and AI-based Voice Home. Its smart home platform, “MyHills,” implements strict limits on access to sensitive AI capabilities during voice recognition service procedures, such as user data. For instance, to prevent the misuse of accumulated data—such as biometric data used for login—the company obtains consent for the collection of personal data within the MyHills application and implement access requests and controls to prevent data misuse.

Monitoring AI Model Performance Degradation and Establishing a Transparent Appeal Process

To maintain and improve the quality of Hyundai E&C’s AI service responses, the AX Platform Team is responsible for conducting periodic monitoring and dataset curation. To prevent model performance degradation (drift), the team continuously updates the system with the latest data and incorporates it into the retrieval-augmented generation system. It also reviews the features and applicability of the latest models and operates the service through continuous updates so that users can experience a variety of the latest models in a multi large language model environment. An appeal channel is also available within the AI service user interface that allows users to immediately evaluate¹⁾ the answers provided by the AI and submit detailed error reports or suggestions anonymously or by name. The AX Platform Team monitors the submitted claims, corrects any incorrect response logic, and directly incorporates the corrections into future data updates and model improvements.

1) Scored on a scale of 1 to 5, consisting of result distortion, low reliability, hallucinations, response delays, lack of consistency, and manual data entry by respondents.

Regular Fairness and Evaluation

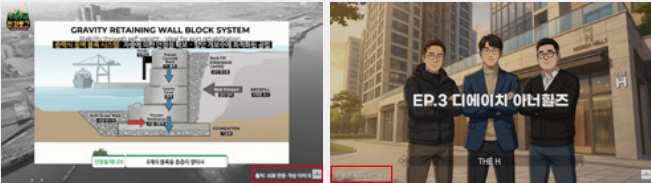
Considering the nature of the AI service used by Hyundai E&C employees in their work, the company strictly adheres to ethical standards and fairness from the development and testing stages. The company applies filtering logic during prompt engineering and pre-data review stages to ensure that no discriminatory or biased responses are provided to specific individuals. Additionally, through continuous review of response feedback, the company proactively collects and examines the likelihood of bias issues.

Reducing its Ecological Footprint

To optimize energy consumption during AI computations, the company is actively adopting the latest high-efficiency AI accelerators (such as NVIDIA H200 and L40S) with excellent performance-per-watt during infrastructure deployment. This has significantly reduced power consumption compared to previous-generation graphics processing units, and the company is applying optimized routing and resource allocation methods tailored to demand to prevent unnecessary waste of resources during model operation. For future AI infrastructure expansion (such as adding servers), the company is working with suppliers to continuously review and develop plans to adopt energy-efficient hardware and minimize idle power consumption in cloud environments.

AI Labeling and AI Ethics Training for Employees

Hyundai E&C strictly adheres to labeling requirements for AI-generated content to ensure that employees can identify when AI-based outputs are used in business decision-making. The company also conducts ethical use of AI training. In the case of its brand marketing video “The Secret of Hyundai E&C,” which utilizes AI content, the company clearly indicated at the bottom of the video that it was “produced using AI.” Additionally, the company conducts ongoing training to raise employee awareness of AI ethics, such as proper AI usage, through a monthly newsletter sent to all employees prior to Security Day.



AI labeling

Number of Information Security Incidents in 2025

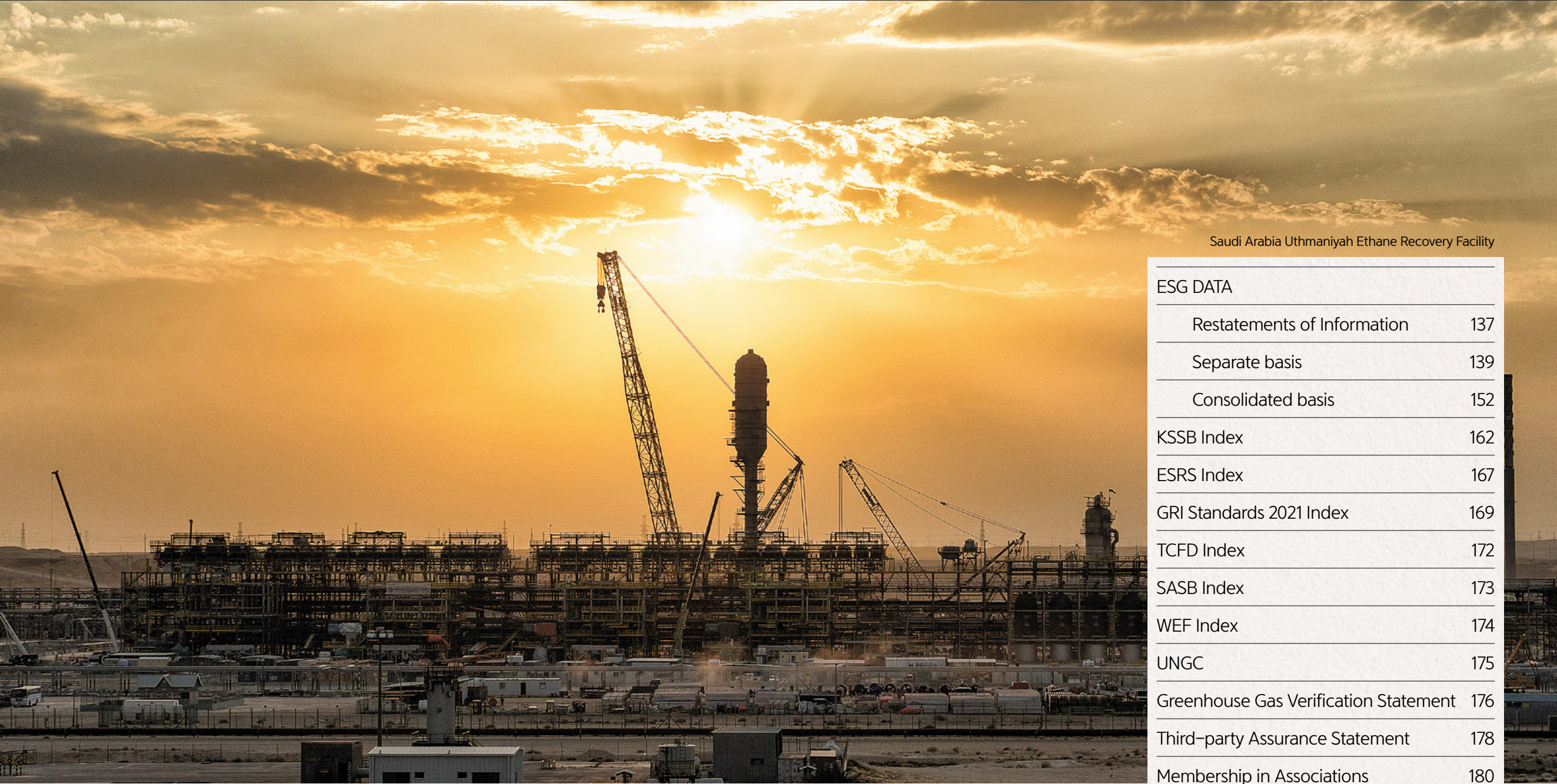
0 case



Number of Customer Personal Data Breach Cases in 2025

0 case





Saudi Arabia Uthmaniyah Ethane Recovery Facility

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Appendix

ESG DATA

Restatements of Information

The following information disclosed in this Sustainability Report differs from previously published reports due to changes in calculation methods or corrections of numerical errors.

Category	Content	Reason	Page
Economic	Change in 2024 income before income tax expenses	Correction of numerical error	138
Environmental	Change in 2022–2024 resource usage and recycling amount	Unit change for wood, concrete (ready-mixed), sand, and aggregate (m ³ → ton)	141
Environmental	Change in 2022–2024 consolidated total Scope 1&2 GHG emissions	Standardization of subsidiaries' GHG emissions calculation criteria	152
Environmental	Change in 2022–2024 consolidated total energy consumption	Standardization of subsidiaries' energy usage calculation criteria	153
Environmental	Change in 2022–2023 consolidated total tap water intake	Correction of data entry error	153
Environmental	Change in 2022–2023 consolidated total water discharged	Correction of data entry error	153
Environmental	Change in 2022–2024 consolidated total waste generated	Standardization of subsidiaries' waste generation calculation criteria	154
Social	Change in 2024 domestic supplier injury cases and Supplier LTIFR	Addition of 1 industrial accident case handled by a joint-venture partner at a joint contract site	43, 148, 160
Social	Change in 2024 new hires by region/nationality	Correction of data entry error	145
Social	Change in 2022–2024 average training hours per employee by type (mandatory/non-mandatory)	Correction of data entry error	147
Social	Change in 2022 number of business sites where human rights risks were identified, and number of sites where risk mitigation or remediation plans were established and completed	Correction of data entry error	149
Social	Change in 2024 ratio of female managers to total managers (Hyundai E&C)	Correction of data entry error	156
Governance	Change in 2024 dividend status	Correction of data entry error and change in calculation method	123
Governance	Change in 2024 policy support expenses – contributions and other expenditures to trade associations or tax-exempt groups	Change in calculation method	151

ESG DATA

Economy

Financial Information (Consolidated Basis)	Unit	2024	2025
Operating Results			
Revenue	KRW million	32,670,268	31,062,912
Cost of Sales	KRW million	32,887,201	29,082,629
Gross Profit	KRW million	-216,933	1,980,283
Selling, General and Administrative Expenses	KRW million	1,046,487	1,327,277
Operating Profit	KRW million	-1,263,420	653,006
Net Financial Income	KRW million	188,082	56,011
Other Non-Operating Income	KRW million	84,046	-55,243
Income Before Income Tax Expense	KRW million	-985,717 ¹⁾	646,825
Income Tax Expense (Benefit)	KRW million	-219,496	87,757
Net Income	KRW million	-766,221	559,068
Financial Position			
Current Assets	KRW million	21,100,663	21,958,006
Non-current Assets	KRW million	5,904,722	5,833,702
Total Assets	KRW million	27,005,385	27,791,708
Current Liabilities	KRW million	14,663,775	14,842,910
Non-current Liabilities	KRW million	2,672,197	2,835,933
Total Liabilities	KRW million	17,335,972	17,678,843
Total Equity	KRW million	9,669,413	10,112,865
Cash Flow			
Cash Flow from Operating Activities	KRW million	-118,800	-748,259
Cash Flows from Investing Activities	KRW million	211,699	25,227
Cash Flows from Financing Activities	KRW million	733,741	434,213
Cash and Cash Equivalent at the Beginning of the Financial Year	KRW million	4,205,665	5,130,372
Cash and Cash Equivalent at the Year-End	KRW million	5,130,372	4,812,659

※ Based on the 2025 Annual Report
1) Information restated due to an error in the previous year's figures

Financial Information (Separate Basis)	Unit	2024	2025
Operating Results			
Revenue	KRW million	16,730,103	16,512,462
Cost of Sales	KRW million	16,381,275	15,617,995
Gross Profit	KRW million	348,828	894,467
Selling, General and Administrative Expenses	KRW million	564,353	643,284
Operating Profit	KRW million	-215,525	251,183
Net Financial Income	KRW million	269,250	115,929
Other Non-Operating Income	KRW million	124,622	-90,589
Income Before Income Tax Expense	KRW million	178,347	276,523
Income Tax Expense (Benefit)	KRW million	4,216	45,193
Net Income	KRW million	174,131	231,330
Financial Position			
Current Assets	KRW million	12,606,493	12,964,896
Non-current Assets	KRW million	4,253,673	4,226,387
Total Assets	KRW million	16,860,166	17,191,283
Current Liabilities	KRW million	7,670,060	7,977,680
Non-current Liabilities	KRW million	2,247,354	2,181,059
Total Liabilities	KRW million	9,917,414	10,158,739
Total Equity	KRW million	6,942,752	7,032,544
Cash Flow			
Cash Flow from Operating Activities	KRW million	345,467	-207,019
Cash Flows from Investing Activities	KRW million	224,227	109,644
Cash Flows from Financing Activities	KRW million	196,977	-172,838
Cash at Beginning of Period	KRW million	2,382,136	3,154,182
Cash at End of Period	KRW million	3,154,182	2,880,624

※ Based on the 2025 Annual Report

ESG DATA (Hyundai E&C, Separate Basis)

Environmental

※ Scope of disclosure: Greenhouse gas emissions and energy consumption are based on domestic and overseas business sites; other indicators are based on domestic business sites.

Greenhouse Gases

Category	Unit	2022		2023		2024		2025		Total			
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas				
Direct Greenhouse Gas Emissions (Scope 1)	tCO ₂ -eq	22,411	287,351	309,762	18,905	251,562	270,467	16,986	120,464	137,450	15,859	96,154	112,013
Indirect Greenhouse Gas Emissions (Scope 2, location-based)	tCO ₂ -eq	57,556	17,518	75,074	68,947	23,960	92,907	69,323	43,911	113,234	72,813	44,000	116,813
Indirect Greenhouse Gas Emissions (Scope 2, market-based)	tCO ₂ -eq	57,556	17,518	75,074	68,947	23,960	92,907	69,323	43,911	113,234	72,813	43,674 ¹⁾	116,487
Direct and Indirect Greenhouse Gas Emissions ²⁾ (Scope 1 + location-based Scope 2)	tCO ₂ -eq	79,967	304,869	384,836	87,852	275,522	363,374	86,306	164,375	250,681	88,670	140,154	228,824
Direct and Indirect Greenhouse Gas Emissions ²⁾ (Scope 1 + market-based Scope 2)	tCO ₂ -eq	79,967	304,869	384,836	87,852	275,522	363,374	86,306	164,375	250,681	88,670	139,828	228,498
Greenhouse Gas Emissions Intensity ³⁾ (Scope 1 + location-based Scope 2)	tCO ₂ -eq/ KRW 100 million	0.67	2.55	3.21	0.56	1.75	2.30	0.52	0.98	1.50	0.54	0.85	1.39
Direct Emissions Intensity (Scope 1)	tCO ₂ -eq/ KRW 100 million	-	-	2.59	-	-	1.71	-	-	0.82	-	-	0.68
Indirect Emissions Intensity (Scope 2, location-based)	tCO ₂ -eq/ KRW 100 million	-	-	0.63	-	-	0.59	-	-	0.68	-	-	0.71
Greenhouse Gas Emissions Intensity ⁴⁾ (Scope 1 + market-based Scope 2)	tCO ₂ -eq/ KRW 100 million	0.67	2.55	3.21	0.56	1.75	2.30	0.52	0.98	1.50	0.54	0.85	1.38
Direct Emissions Intensity (Scope 1)	tCO ₂ -eq/ KRW 100 million	-	-	2.59	-	-	1.71	-	-	0.82	-	-	0.68
Indirect Emissions Intensity (Scope 2, market-based)	tCO ₂ -eq/ KRW 100 million	-	-	0.63	-	-	0.59	-	-	0.68	-	-	0.71

1) Reflected the 2025 purchase performance of Vietnam Energy Attribute Certificate (VOLT) (500 MWh)
2) The total GHG emissions are calculated by truncating the decimal places for each business site before summing, resulting in a possible discrepancy between totals.
3) Direct and indirect greenhouse gas emissions (Scope 1 + location-based Scope 2) / separate revenue.
4) Direct and indirect greenhouse gas emissions (Scope 1 + market-based Scope 2) / separate revenue.

Scope 3 Emissions by Category

Category	Unit	2022	2023	2024	2025
Other Indirect Greenhouse Gas Emissions (Scope 3) ¹⁾	tCO ₂ -eq	6,658,746	5,765,722	5,198,461	5,984,916
Upstream	tCO ₂ -eq	4,156,256	2,880,399	2,345,947	2,391,213
Cat1. Purchased Goods and Services	tCO ₂ -eq	2,736,622	2,720,684	2,236,489	2,303,931
Cat2. Capital Goods	tCO ₂ -eq	1,164	460	246	266
Cat3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	tCO ₂ -eq	13,110	75,605	46,943	40,798
Cat4. Upstream Transportation and Distribution	tCO ₂ -eq	1,338,148	79,906	58,879	41,981
Cat5. Waste Generated in Operations	tCO ₂ -eq	20,088	54	34	24
Cat6. Business Travel	tCO ₂ -eq	2,353	3,282	2,928	3,730
Cat7. Employee Commuting	tCO ₂ -eq	44,770	407	429	483
Downstream	tCO ₂ -eq	2,502,491	2,885,323	2,852,514	3,593,704
Cat11. Use of Sold Products	tCO ₂ -eq	2,153,219	2,653,169	2,653,096	2,972,031
Cat12. End-of-Life Treatment of Sold Products	tCO ₂ -eq	288,569	180,759	177,996	581,473
Cat15. Investments	tCO ₂ -eq	60,703	51,395	21,422	40,200

※ Undisclosed categories among Scope 3 emissions do not apply to Hyundai E&C's Scope 3 emissions (Cat 8. Upstream Leased Assets, Cat 9. Downstream Transportation and Distribution, Cat 10. Processing of Sold Products, Cat 13. Downstream Leased Assets, Cat 14. Franchises).
1) For the 2023 Scope 3 calculation, the emission calculation method for 'Cat 4. Upstream Transportation and Distribution', 'Cat 5. Waste Generated in Operations', and 'Cat 7. Employee Commuting' were revised. For the 2025 Scope 3 calculation, the emission calculation method for 'Cat 12. End-of-Life Treatment of Sold Products' were revised.

ESG DATA (Hyundai E&C, Separate Basis)

Environmental

Energy

Category		Unit	2022	2023	2024	2025
Total Energy Consumption (A+B)		MWh	1,368,284	1,187,243	778,357	690,148
			5,837	5,411	4,216	3,204
Total Non-Renewable Energy Consumption (A)		MWh	1,368,223	1,187,177	778,234	689,521
		TJ	5,837	5,410	4,215	3,198
Coal (Anthracite, Lignite, etc.)	Subtotal	MWh	305	-	-	-
		TJ	1	-	-	-
	Domestic	MWh	305	-	-	-
		TJ	1	-	-	-
	Overseas	MWh	-	-	-	-
			-	-	-	-
	Subtotal	MWh	1,195,787	982,695	528,368	429,337
		TJ	4,305	3,538	1,902	1,546
	Domestic	MWh	77,533	66,045	59,181	54,507
		TJ	279	238	213	196
Crude Oil (Gasoline/Diesel/ Kerosene)	Overseas	MWh	1,118,253	916,650	469,188	374,830
			4,026	3,300	1,689	1,349
	Subtotal	MWh	12,936	7,586	8,762	8,136
		TJ	47	27	32	29
	Domestic	MWh	12,936	7,586	8,762	8,136
		TJ	47	27	32	29
	Overseas	MWh	-	-	-	-
			-	-	-	-
	Subtotal	MWh	151,868	189,386	235,594	247,048
		TJ	1,458	1,818	2,262	1,606
Gas (LNG/LPG)	Domestic	MWh	123,606	148,912	150,119	157,963
			1,187	1,430	1,441	1,516
	Nuclear-based ¹⁾	MWh	-	-	-	101,833
		TJ	-	-	-	978
	Fossil fuel-based ¹⁾	MWh	-	-	-	56,130
		TJ	-	-	-	539
	Overseas	MWh	28,262	40,474	85,475	89,085
		TJ	271	389	821	89
	Subtotal	MWh	7,327	7,511	5,510	5,000
		TJ	26	27	20	18
Other (Heat/Steam, etc.)	Domestic	MWh	7,327	7,511	5,510	5,000
		TJ	26	27	20	18
	Overseas	MWh	-	-	-	-
			-	-	-	-
	Subtotal	MWh	-	-	-	-
			-	-	-	-
	Domestic	MWh	-	-	-	-
			-	-	-	-
	Overseas	MWh	-	-	-	-
			-	-	-	-

Category			Unit	2022	2023	2024	2025
Renewable Energy	Subtotal		MWh	61	66	123	627
			TJ	0.6	0.6	1.2	6.0
	Total Renewable Energy		MWh	61	66	123	127
			TJ	0.6	0.6	1.2	1.2
	Consumption (B)		MWh	-	-	-	500
			TJ	-	-	-	4.8
	Certificate Purchase ³⁾						
	Percentage of Renewable Energy Use		%	0.004	0.006	0.016	0.091
Energy Intensity ⁴⁾			MWh/KRW 100 million	11.42	7.52	4.65	4.18
			TJ/KRW 100 million	0.05	0.03	0.03	0.02

1) Reflects the separate disclosure of domestic electricity consumption by fossil fuel- and nuclear-based electricity from 2025 onward.
2) 100% self-consumption of electricity generated from solar power.
3) Reflects the purchase of Vietnam Renewable Energy Certificate (VOLT) in 2025 (500 MWh).
4) Total energy consumption / separate revenue.

GHG Emissions Reduction and Energy Savings Performance(2025)

Category	Unit	Total	Process Improvements	Eco-Friendly Vehicle Operations	Building Energy Efficiency
Greenhouse Gas Reduction	tCO ₂ -eq	8,216	7,387	70	759
Energy Savings	MWh	32,457	30,520	286	1,651

ESG DATA (Hyundai E&C, Separate Basis)

Environmental

Water Resources

Category	Unit	2022	2023	2024	2025
Total Water Withdrawal	kilotonnes	1,229.82	2,027.66	2,378.69	3,067.96
Municipal Water Supply	kilotonnes	669.70	988.95	1,170.41	1,876.90
River Water	kilotonnes	363.82	449.12	202.22	257.19
Groundwater	kilotonnes	116.22	535.76	999.01	925.48
Other	kilotonnes	80.08	53.82	7.05	8.39
Total Discharge	kilotonnes	531.51	422.20	440.01	615.13
Water Consumption	kilotonnes	698.31	1,605.46	1,938.68	2,452.83
Recycled Water	kilotonnes	3.60	22.86	22.14	38.78
Percentage of Recycled Water	%	0.29	1.13	0.93	1.26

Water Pollutant Discharge

Category	Unit	2022	2023	2024	2025
COD	tonnes	79.51	77.59	109.50	— ¹⁾
BOD	tonnes	61.35	85.35	108.40	76.55
SS	tonnes	65.29	71.67	47.20	42.00
TOC	tonnes	43.37	42.35	90.50	39.74

1) COD has not been measured since 2025 following the replacement of the COD standard with TOC under the effluent discharge standards of the Water Environment Conservation Act.

Resource Usage (Raw Materials)

Category	Unit	2022	2023	2024	2025
Wood	tonnes	20,393	48,198	53,156	48,317
Concrete (ready-mix)	tonnes	11,816,586	15,757,084	11,218,453	8,834,905
Sand	tonnes	60,986	112,639	192,049	81,510
Asphalt	tonnes	53,632	14,092	7,383	16,067
Recycled Asphalt (Recycling Rate) ¹⁾	tonnes	—	—	—	3,663(23%)
Steel	tonnes	559,096	705,901	523,789	528,468
Recycled Steel (Recycling Rate) ²⁾	tonnes	—	—	320,258(61%)	441,538(84%)
Aggregates	tonnes	1,390,734	698,997	489,176	571,438
Recycled Aggregates (Recycling Rate)	tonnes	61,355	29,750	4,909(1%)	35,000(6%)
Cement	tonnes	182,268	210,641	523,023	582,232
Recycled Cement (Recycling Rate) ²⁾	tonnes	—	—	3,771(1%)	12,734(2%)

※ Data for 2022–2024 restated to reflect changes in the units of measurement for wood, concrete (ready-mixed concrete), sand, and aggregates.

1) Recycled asphalt concrete data have been collected since 2025.

2) Recycled steel and cement data have been collected since 2024.

Waste

Category	Unit	2022	2023	2024	2025
Total Waste Generation	tonnes	1,312,651	1,289,671	1,272,643	1,374,701
Landfill	tonnes	4,000	158	350	0
Incineration (without energy recovery)	tonnes	254	77	42	7
Recycling	tonnes	1,308,397	1,289,436	1,272,250	1,374,694
Recycling Rate	%	99.68	99.98	99.97	99.99
Construction Waste Generation	tonnes	1,184,155	1,263,722	1,241,184	1,368,526
Landfill	tonnes	155	0	350	0
Incineration (without energy recovery)	tonnes	147	41	6	7
Recycling	tonnes	1,183,853	1,263,682	1,240,828	1,368,518
Industrial Waste Generation	tonnes	128,476	25,871	31,458	6,167
Landfill	tonnes	3,845	153	0	0
Incineration (without energy recovery)	tonnes	104	36	36	0
Recycling	tonnes	124,527	25,681	31,422	6,167
Hazardous Waste Generation	tonnes	20	78	0	9
Landfill	tonnes	0	5	0	0
Incineration (without energy recovery)	tonnes	4	0	0	0
Recycling	tonnes	16	73	0	9

Environmental System

	Category	Unit	2022	2023	2024	2025
Environmental Management System Certification	Percentage of Business Sites certified to an Environmental Management System (EMS)	%	100	100	100	100

※ Based on domestic and international site standards

Environmental Regulations

	Category	Unit	2022	2023	2024	2025
Number of Environmental Violations	Number of Fines of USD 10,000 or More	Cases	0	0	0	0

※ As environmental regulations and violation criteria vary by country, the reporting criterion has been standardized to include fines of USD 10,000 or more for violations of environmental laws and regulations.

Environmental Investment and R&D Expenditure

Category	Unit	2022	2023	2024	2025
Environmental R&D Expenditure	KRW million	4,400	3,588	2,554	1,655
Environmental Management Expenditure	KRW million	40,391	41,145	45,216	52,192
Air Quality	KRW million	8,240	8,191	10,490	10,202
Water Quality	KRW million	3,181	2,052	2,733	2,677
Noise, Vibration and Others	KRW million	8,318	6,876	7,435	9,599
Waste and Soil	KRW million	20,652	24,026	24,558	29,714

ESG DATA (Hyundai E&C, Separate Basis)

Environmental

Sustainable Products and Services (Based on EU Taxonomy Eligibility Criteria)

Category	Economic Activities	Code ¹⁾	Category	Unit	2022		2023 ²⁾		2024			2025		
					Revenue	Revenue	CapEx	OpEx	Revenue	CapEx	OpEx	Revenue	CapEx	OpEx ³⁾
Manufacturing	Manufacture of Cement	CCM 3.7	Transitional	KRW million	-	-	-	22	-	-	57	-	-	15
	Manufacture of Hydrogen	CCM 3.10	-	KRW million	2,535	205	-	537	260	-	1,313	-	-	629
Energy	Solar Power Generation	CCM 4.1	-	KRW million	-	-	-	-	-	-	38	-	-	-
	Wind Power Generation	CCM 4.3	-	KRW million	97,177	95,234	40	145	52,016	8	114	10,380	-	54
	Hydropower Generation	CCM 4.5	-	KRW million	-	26,742	70	-	38,028	-	-	9,381	-	67
	Geothermal Energy Generation	CCM 4.6	-	KRW million	-	0.1	-	-	-	-	-	-	-	-
	Transmission and Distribution of Electricity	CCM 4.9	Enabling	KRW million	-	421,716	-	-	269,954	3,453	-	447,475	9,474	10,092
	Development of Advanced Nuclear Technologies ⁴⁾	CCM 4.26	Transitional	KRW million	-	-	-	-	-	-	-	-	-	280
	New Nuclear Power Generation	CCM 4.27	Transitional	KRW million	116,761	37,489	951	1,773	110,149	2,155	345	311,129	1,217	3,291
	Existing Nuclear Power Generation	CCM 4.28	Transitional	KRW million	34,459	6,822	-	-	-	-	-	9,758	740	9
	Construction of Water Supply Facilities, etc.	CCM 5.1	-	KRW million	892	-	-	2	-	-	55	3,322	68	73
	Construction of Wastewater Treatment Facilities, etc.	CCM 5.3	-	KRW million	142,459	64,462	10	11	-6,012	-	-	19,320	-	22
Water/Waste	Renovation of Wastewater Treatment Facilities, etc.	CCM 5.4	-	KRW million	-	8,366	-	-	11,338	-	-	-	-	-
	Anaerobic Digestion	CCM 5.7	-	KRW million	15,897	21,545	1	646	14,830	1	76	7,888	-	161
	Landfill Gas Capture and Utilisation	CCM 5.10	-	KRW million	-	-	-	-	-	-	-	-	-	91
	Transportation of CO2	CCM 5.11	Enabling	KRW million	-	-	-	44	-	-	22	-	-	-
	Permanent Carbon Dioxide Sequestration	CCM 5.12	-	KRW million	-	-	-	118	-	-	358	-	-	338
	Supply of Water for Uses Other than Human Consumption ⁴⁾	CE 2.2	-	KRW million	-	-	-	-	-	-	-	884	-	154
	Remediation of Contaminated Sites and Areas ⁴⁾	PPC 2.4	-	KRW million	-	-	-	-	-	-	-	-	-	0.002
	Sustainable Urban Drainage Systems ⁴⁾	WTR 2.3	-	KRW million	-	-	-	-	-	-	-	-	-	34
	Infrastructure for Rail Transport	CCM 6.14	Enabling	KRW million	643,768	782,586	11,885	-	860,682	18,475	-	1,043,813	91	471
	Infrastructure enabling Low-Carbon Road Transport and Public Transport ⁴⁾	CCM 6.15	Enabling	KRW million	-	-	-	-	-	-	-	-	-	48
Building	Construction of New Buildings ⁵⁾	CCM 7.1	-	KRW million	5,378,721	8,298,865	65,149	290	8,772,374	34,473	177	8,027,319	33,127	12,354
	Renovation of Existing Buildings ⁴⁾	CCM 7.2	Transitional	KRW million	-	-	-	-	-	-	-	117,340	17	2,153
Total Taxonomy-Eligible Activities				KRW million	6,432,669	9,764,030	78,105	3,588	10,123,619	58,565	2,554	10,008,009	44,735	30,336
Separate Revenue				KRW million	11,978,479	15,778,844	234,805	164,251	16,730,103	202,479	177,866	16,512,462	134,139	193,585
Share of Sustainable Products and Services				%	53.7	61.9	33.3	2.2	60.5	28.5	1.4	60.6	33.4	15.7

1) The omitted abbreviation Climate Change Mitigation(CCM) in the 2024 EU Taxonomy disclosure has been added.

2) Revenue, CapEx and OpEx have been calculated from 2023 onward.

3) The 2025 OpEx has been calculated in accordance with the definition of OpEx under the Disclosure Delegated Act, including short-term lease and maintenance costs that were not included in the 2024 disclosure.

4) From 2025 onward, certain economic activities have been calculated based on a reclassification following a review of the environmentally sustainable economic activity classification criteria.

5) The calculation is based on Eligible activities under the EU Taxonomy that have obtained Green Building Certification or LEED certification.

ESG DATA (Hyundai E&C, Separate Basis)

Environmental

Revenue from Energy-efficient Buildings

Category		Unit	2022	2023	2024	2025
Energy-efficient Buildings ¹⁾	Revenue (A)	KRW million	2,524,487	4,314,332	3,665,554	1,453,766
	Revenue to Total Buildings Ratio	%	32	40	32	16
Revenue from Other Sustainable Products and Services (B) ²⁾		KRW million	3,908,182	5,449,698	6,458,065	8,554,243
Total Revenue from Sustainable Products and Services (A+B)		KRW million	6,432,669	9,764,030	10,123,619	10,008,009
Revenue Ratio of Sustainable Products and Services		%	54	62	61	61

※ Revenue is calculated on a separate basis.
1) Energy efficiency rating of Grade 1 or higher.
2) Sustainable products and services other than buildings with an energy efficiency rating of Grade 1

Revenue from Green Building Certified and LEED Certified Buildings

Category		Unit	2022	2023	2024	2025
Certified Total Buildings Ratio		%	62	64	62	73
Revenue from Certified Buildings		KRW million	5,378,721	8,298,865	8,772,374	8,144,659
Percentage of Revenue from Certified Buildings		%	69	77	76	87

※ Revenue is calculated on a separate basis.

Green Procurement Status

Category		Unit	2022	2023	2024	2025
Green Procurement Amount		KRW 10 million	12,944	73,761	76,208	77,972
Total Procurement Amount ¹⁾		KRW 10 million	303,785	470,560	384,236	383,385
Percentage of Green Procurement		%	4.3	15.7	19.8	20.3

1) Based on domestic material procurement amount.

ESG DATA (Hyundai E&C, Separate Basis)

Social

Employees Status

Category		Unit	2022	2023	2024	2025	Remarks	
Total Employees		persons	6,799	7,115	7,149	6,902		
By Gender	Male	persons	5,998	6,289	6,359	6,155		
	Percentage of Males	%	88.22	88.39	88.95	89.18		
	Female	persons	801	826	790	747		
	Percentage of Females	%	11.78	11.61	11.05	10.82	2030 Target for Percentage of Female Employees: 14.18%	
By Age	Under 30	persons	859	933	881	825	Percentage of Total Employees: 11.95%	
	Ages 30–49	persons	4,732	4,572	4,528	4,357	Percentage of Total Employees: 63.13%	
	50 and Over	persons	1,208	1,610	1,740	1,720	Percentage of Total Employees: 24.92%	
By Employment Type	Permanent Employees	Subtotal	persons	4,237	4,325	4,516	4,410	
		Male	persons	4,003	4,082	4,246	4,154	
		Female	persons	234	243	270	256	
		Percentage of Females	%	5.52	5.62	5.98	5.80	
	Temporary Employees	Subtotal	persons	2,478	2,706	2,565	2,430	
		Male	persons	1,913	2,125	2,047	1,941	
		Female	persons	565	581	518	489	
		Percentage of Females	%	22.80	21.47	20.19	20.12	
	Executives	Subtotal	persons	84	84	68	62	
		Male	persons	82	82	66	60	
		Female	persons	2	2	2	2	
		Percentage of Females	%	2.38	2.38	2.94	3.23	
	By Job Level ¹⁾	Total Managers ²⁾	Subtotal	persons	3,419	3,486	4,022	3,941
Male			persons	3,276	3,330	3,844	3,755	
Female			persons	143	156	178	186	
Percentage of Females			%	4.18	4.48	4.43	4.72	2030 Target for Percentage of Female Employees: 5.59%
Senior Managers ²⁾		Subtotal	persons	2,137	2,238	2,584	2,633	
		Male	persons	2,078	2,174	2,504	2,547	
		Female	persons	59	64	80	86	
		Percentage of Females	%	2.76	2.86	3.10	3.27	2030 Target for Percentage of Female Employees: 3.68%
Junior Managers		Subtotal	persons	1,282	1,248	1,438	1,308	
		Male	persons	1,198	1,156	1,340	1,208	
		Female	persons	84	92	98	100	
		Percentage of Females	%	6.55	7.37	6.82	7.65	2030 Target for Percentage of Female Employees: 8.75%
Non-managerial Employees		Subtotal	persons	818	839	3,127	2,961	
	Male	persons	727	752	2,515	2,400		
	Female	persons	91	87	612	561		
	Percentage of Females	%	11.12	10.37	19.57	18.95	2030 Target for Percentage of Female Employees: 16.46%	

Category			Unit	2022	2023	2024	2025	Remarks	
By Region/ Nationality	Domestic		persons	6,758	7,056	7,081	6,841	Percentage of Total Employees: 99.12%	
	Overseas	Asia	persons	21	40	47	36	Percentage of Total Employees: 0.52%	
		Europe/CIS	persons	7	7	7	8	Percentage of Total Employees: 0.12%	
		Americas/Pacific	persons	10	9	11	14	Percentage of Total Employees: 0.20%	
		Africa	persons	2	2	2	2	Percentage of Total Employees: 0.03%	
		Oceania	persons	1	1	1	1	Percentage of Total Employees: 0.01%	
By Job Function	Business Department	Subtotal	persons	4,291	4,598	4,670	4,429		
		Male	persons	3,924	4,217	4,307	4,098		
		Female	persons	367	381	363	331		
		Percentage of Females	%	8.55	8.29	7.77	7.47	2030 Target for Percentage of Female Employees: 13.55%	
	Non-Business Department (General)	Subtotal	persons	893	909	899	895		
		Male	persons	686	690	681	680		
		Female	persons	207	219	218	215		
		Percentage of Females	%	23.18	24.09	24.25	24.02	2030 Target for Percentage of Female Employees: 20.46%	
	Non-Business Department (Science/ Technology/ Engineering/ Mathematics – STEM)	Subtotal	persons	1,615	1,608	1,580	1,578		
		Male	persons	1,388	1,382	1,371	1,377		
		Female	persons	227	226	209	201		
		Percentage of Females	%	14.06	14.05	13.23	12.74	2030 Target for Percentage of Female Employees: 12.73%	
	Employees with Disabilities	Subtotal		persons	194	176	169	189	When people of severe disabilities are counted as “2 persons”
		Total Employees		persons	150	133	135	135	
Employees with Non-Severe Disabilities		persons	106	90	101	81			
Employees with Severe Disabilities		persons	44	43	34	54			
Percentage of Employees with Disabilities			%	2.85	2.46	2.36	2.74		

※ The percentage of managers by region/nationality in 2025 : Asia 99.77%, Europe & CIS 0%, Americas & Pacific 0.23%, Africa 0%, and Oceania 0%.
1) From 2024 onward, the data include both permanent and temporary employees to improve data quality and comparability.(Temporary employees are defined as personnel hired for a specified period to perform specific roles or projects, such as on-site safety management, business execution·operational support, and customer service (CS).)
2) Executives are included (including executive directors among registered directors, while excluding independent directors and other non-executive directors)

ESG DATA (Hyundai E&C, Separate Basis)

Social

New Hires							
Category			Unit	2022	2023	2024	2025
Number of New Hires			persons	2,122	1,467	1,394	1,141
New Hire Rate			%	31	21	19	16
By Gender	Male	Number of Employees	persons	1,701	1,246	1,168	942
		Percentage	%	80.16	84.94	83.79	82.56
	Female	Number of Employees	persons	421	221	226	199
		Percentage	%	19.84	15.06	16.21	17.44
By Age	Under 30	Number of Employees	persons	715	480	417	330
		Percentage	%	33.69	32.72	29.91	28.92
	Ages 30–49	Number of Employees	persons	1,220	824	758	633
		Percentage	%	57.49	56.17	54.38	55.48
	50 and Over	Number of Employees	persons	187	163	219	178
		Percentage	%	8.81	11.11	15.71	15.60
By Job Level ¹⁾	Managerial Level	Senior Managers ²⁾	persons	78	21	158	72
		Junior Managers	persons	86	42	117	113
	Non-managerial Level		persons	270	195	1,119	956
	By Region/ Nationality	Asia		persons	2,119	1,460	1,390
Europe/CIS		persons	1	3	1 ³⁾	10	
Americas/Pacific		persons	2	1	3 ³⁾	5	
Africa		persons	0	0	0 ³⁾	0	
Oceania		persons	0	3	0 ³⁾	0	
By Recruitment Type	Entry Level		persons	184	145	144	132
	Experienced		persons	1,938	1,322	1,250	1,009
Employee Retention Rate ⁴⁾			%	80.8	81.2	82.2	83.5
Average Employee Tenure			years	13	13	13	14
Average Employment Cost per Employee			KRW	138,715	304,775	339,880	354,730

1) From 2024 onward, the data include both permanent and temporary employees to enhance data quality and comparability.
2) Senior managers are included.
3) Restated due to a data entry error.
4) Percentage of retained employees in the total employees.

Turnover							
Category			Unit	2022	2023	2024	2025
Total Turnover Rate ¹⁾			%	23.14	16.81	19.92	19.43
By Gender	Male		%	20.99	15.96	18.32	18.05
	Female		%	39.2	23.24	32.78	30.79
By Age	Under 30		%	36.67	27.12	31.44	23.39
	Ages 30–49		%	19.59	15.05	18.33	18.18
	50 and Over		%	27.4	15.84	18.22	20.70
By Job Level ²⁾	Managerial Level	Senior Managers ³⁾	%	–	–	7.12	7.90
		Junior Managers	%	–	–	10.78	12.39
	Non–managerial Level		%	–	–	34.70	32.79
By Region/ Nationality	Domestic		%	23.22	16.79	19.84	19.11
	Overseas ⁴⁾	Asia	%	0	15.00	36.17	75.00
		Europe/CIS	%	28.57	42.86	14.29	50.00
		Americas/Pacific	%	20.00	22.22	9.09	21.43
		Africa	%	0	0	0	0
		Oceania	%	0	0	0	0

1) Includes both involuntary turnover (such as contract expiration, project completion, retirement, transfer to other affiliates, reassignment, and recommendation to resign) and voluntary turnover.
2) From 2024 onward, turnover rates for senior and junior managers have been newly calculated.
3) Senior managers are included.
4) Turnover rates increased among foreign temporary employees of overseas nationalities(Asia/Europe) due to contract expiration.

Voluntary Turnover							
Category			Unit	2022	2023	2024	2025
Total Voluntary Turnover Rate			%	8.40	5.73	4.48	3.48
By Gender	Male		%	7.94	5.60	4.23	3.27
	Female		%	11.86	6.78	6.46	5.22
By Age	Under 30		%	15.13	11.9	8.06	5.33
	Ages 30–49		%	8.07	5.47	4.51	3.70
	50 and Over		%	4.88	2.92	2.59	2.03
By Job Level ¹⁾	Managerial Level	Senior Managers	%	–	–	1.63	1.75
		Junior Managers	%	–	–	3.69	2.83
	Non-managerial Level		%	–	–	7.20	5.30
By Region/ Nationality	Domestic		%	8.40	5.68	4.34	3.41
	Overseas	Asia	%	0.00	10.00	25.53	16.67
		Europe/CIS	%	28.57	28.57	0	12.50
		Americas/Pacific	%	10.00	11.11	9.09	0
		Africa	%	0	0	0	0
		Oceania	%	0	0	0	0

1) From 2024 onward, job-level data have been newly calculated.

ESG DATA (Hyundai E&C, Separate Basis)

Social

Parental Leave

Category		Unit	2022	2023	2024 ¹⁾	2025
Total Number of Employees that Took Parental Leave ²⁾	Total	persons	30	40	100	118
	Male	persons	19	29	71	86
	Female	persons	11	11	29	32
Total Number of Employees that Returned to Work after Parental Leave Ended ³⁾	Total	persons	27	33	47	76
	Male	persons	18	24	32	60
	Female	persons	9	9	15	16
Return to Work Rate of Employees that took Parental Leave ⁴⁾	Total	%	90.00	94.29	75.00	82.61
	Male	%	94.74	96.00	76.00	90.91
	Female	%	81.82	90.00	71.00	61.54
Total Number of Employees Still Employed 12 Months after Returning from Parental Leave ⁵⁾	Total	persons	13	23	22	58
	Male	persons	4	11	16	43
	Female	persons	9	12	6	15

1) From 2024 onward, the data include both permanent and temporary employees to enhance data quality and comparability.
2) Employees who took parental leave and employees who returned from parental leave during the reporting year.
3) Employees who returned from parental leave during the reporting year (excluding those who resigned during the reporting year from the number of employees who returned from parental leave).
4) Employees who returned from parental leave during the reporting year / (Employees who returned from parental leave during the reporting year + Employees who resigned during the reporting year without returning from parental leave).
5) Employees who returned from parental leave in the previous year and employed for at least 12 months (Figures may vary due to differences in the calculation criteria in the annual report.)

Family-Related Leave (2025)

Category	Unit	Total	Male	Female
Total Number of Employees that Took Family-related Leave ¹⁾	persons	312	280	32
Family-related Leave Utilization Rate ²⁾	%	17.89	16.91	36.36
Total Number of Employees that Returned to Work after Family-related Leave Ended	persons	251	235	16
Return to Work Rate of Employees that took Family-related Leave	%	88.69	91.44	61.54
Total Number of Employees Still Employed 12 Months after Returning from Family-related Leave	persons	271	253	18
Total Number of Employees Not Remaining Employed 12 Months after Returning from Family-related Leave	persons	14	12	2
Retention Rate of Employees that Took Family-related Leave	%	95.09	95.47	90.00

1) Includes parental leave and maternity/paternity leave.
2) Employees that took family-related leave/employees entitled to family-related leave (*The number of entitled employees includes current employees who are not on family-related leave but who meet the child eligibility criteria, employees on family-related leave, and employees who have returned from family-related leave (including those who have resigned) during the reporting year).

Wages

Category		Unit	2022	2023	2024	2025	
Total Amount of Wages	Men	KRW million	639,261	707,533	743,511	752,612	
	Female	KRW million	48,760	56,863	59,233	62,000	
Employee Salary (annual average)	Male	KRW	87,498,016	96,420,372	99,200,996	102,661,618	
	Female	KRW	44,126,331	55,967,773	57,396,513	61,814,337	
Ratio of Female Salary to Male Salary ¹⁾		%	50.43	58.05	57.86	60.21	
Executive Remuneration (Annual Average) ²⁾	Base Salary	Male	KRW	338,123,166	306,878,971	328,296,274	329,715,219
		Female	KRW	285,000,000	249,583,335	304,999,998	304,999,998
		Female-to-Male Remuneration Ratio	%	84.29	81.33	92.90	92.50
	Base Salary + Other Allowances (Total Remuneration)	Male	KRW	465,342,497	459,561,324	375,378,952	403,783,085
		Female	KRW	412,308,939	357,173,750	341,813,498	370,455,088
		Female-to-Male Remuneration Ratio	%	88.60	77.72	91.06	91.74
	Managerial Remuneration (Annual Average)	Base Salary	Men	KRW	57,166,054	61,385,463	63,538,424
Female			KRW	53,218,868	56,021,703	58,600,422	60,188,492
Female-to-Male Remuneration Ratio			%	93.10	91.26	92.23	92.22
Base Salary + Other Allowances (Total Remuneration)		Male	KRW	114,476,268	122,833,726	126,176,205	129,218,490
		Female	KRW	96,794,554	101,309,812	104,938,151	107,655,583
		Female-to-Male Remuneration Ratio	%	84.55	82.48	83.17	83.31
Non-Managerial Remuneration (Annual Average) ³⁾		Base Salary	Male	KRW	22,540,783	27,155,542	28,656,185
	Female		KRW	16,959,208	22,806,693	22,727,404	23,827,082
	Female-to-Male Remuneration Ratio		%	75.24	83.99	79.31	79.61
	Base Salary + Other Allowances (Total Remuneration)	Male	KRW	46,256,956	55,220,641	59,149,734	63,172,998
		Female	KRW	34,276,578	45,990,050	46,314,813	50,231,688
		Female-to-Male Remuneration Ratio	%	74.10	83.28	78.30	79.51

※ Total wages are based on actual payroll records and is calculated using the average wage of all employees who received salary payments during the reporting period, including both permanent and temporary employees.
1) Differences are attributable to the proportion of female non-managerial employees within the total employees.
2) Independent directors are excluded from management remuneration.
3) Employees are classified into executive level (executives), managerial level (senior managers), and non-managerial level (managers). Due to the characteristics of the construction industry, the proportion of temporary non-managerial employees, such as project-based professionals and customer service (CS) personnel, is relatively higher than in other industries, resulting in differences in remuneration by job level.

ESG DATA (Hyundai E&C, Separate Basis)

Social

Training

Category			Unit	2022	2023	2024	2025
Total Training Hours			hours	146,659	181,676	218,388	287,675
By Gender	Male		hours	140,080	158,525	192,340	254,041
	Female		hours	6,579	23,151	26,048	33,634
By Age	Under 30		hours	21,598	17,833	18,066	48,495
	Ages 30–49		hours	98,600	126,278	162,060	180,319
	50 and Over		hours	26,461	37,565	38,262	58,861
By Job Level	Managerial Level	Senior Managers	hours	69,926	74,985	93,419	99,703
		Junior Managers	hours	38,256	32,253	51,866	53,485
	Non-managerial Level		hours	38,477	74,438	73,103	134,487
By Region/ Nationality ¹⁾	Domestic		hours	114,491	180,528	192,064	261,973
	Overseas	Asia	hours	29,996	735	18,328	16,811
		Europe/CIS	hours	0	126	4,712	3,639
		America/Pacific	hours	1,794	249	2,228	4,219
		Africa	hours	378	38	416	324
		Oceania	hours	0	0	640	709
By Type	Mandatory	hours	29,425	44,995	39,198	95,081	
	Non-mandatory	hours	117,234	136,681	179,190	192,594	
Average Training Hours ²⁾			hours	21.57	25.53	30.55	41.68
By Gender	Male		hours	23.35	25.21	30.25	41.27
	Female		hours	8.21	28.03	32.97	45.03
By Age	Under 30		hours	25.14	19.11	20.51	58.78
	Ages 30–49		hours	20.84	27.62	35.79	41.39
	50 and Over		hours	21.9	23.33	21.99	34.22
By Type ³⁾	Mandatory		hours	4.33	6.32	5.48	13.78
	Non-mandatory		hours	17.24	19.07	25.07	27.90

※ From 2023 onward, the data include both permanent and temporary employees to enhance data quality and comparability.

1) Data updated due to changes in the classification criteria.

2) Total training Hours/total employees

3) Information restated due to errors in the 2022–2024 figures

Category			Unit	2022	2023	2024	2025
Total Training Investment Cost			KRW million	1,717	2,037	2,046	3,071
By Gender	Male		KRW million	1,625	1,786	1,817	2,783
	Female		KRW million	92	251	229	288
By Age	Under 30		KRW million	125	287	201	424
	Ages 30–49		KRW million	1,220	1,332	1,313	1,794
	50 and Over		KRW million	372	419	532	853
By Job Level	Managerial Level	Senior Managers	KRW million	933	653	701	1,558
		Junior Managers	KRW million	484	315	338	545
	Non-managerial Level		KRW million	300	1,069	1,007	968
By Region/ Nationality ¹⁾	Domestic		KRW million	1,340	2,018	2,038	2,899
	Overseas	Asia	KRW million	331	13	3	110
		Europe/CIS	KRW million	0	3	1	17
		Americas/Pacific	KRW million	35	3	3	38
		Africa	KRW million	11	1	1	0
		Oceania	KRW million	0	0	0	7
By Type ²⁾	Mandatory	KRW million	–	504	508	927	
	Non-mandatory	KRW million	–	1,533	1,538	2,144	
Average Training Investment Cost ³⁾			KRW million	0.25	0.29	0.29	0.44
By Gender	Male		KRW million	0.27	0.28	0.29	0.45
	Female		KRW million	0.11	0.30	0.29	0.39
By Age	Under 30		KRW million	0.15	0.31	0.23	0.51
	Ages 30–49		KRW million	0.26	0.29	0.29	0.41
	50 and Over		KRW million	0.31	0.26	0.31	0.50
By Type ²⁾	Mandatory		KRW million	–	0.07	0.07	0.13
	Non-mandatory		KRW million	–	0.22	0.22	0.31

※ From 2023 onward, the data include both permanent and temporary employees to enhance data quality and comparability.

1) Data updated due to changes in the classification criteria.

2) Total training hours/total employees

3) Total training investment cost/total employees

ESG DATA (Hyundai E&C, Separate Basis)

Social

Safety

Category		Unit	2022	2023	2024	2025
Safety Management Investment		KRW 100 million	1,658	2,399	2,773	2,985
Percentage of Employees Covered by the Occupational Safety and Health Management System		%	100	100	100	100
Number of Accidents Resulting in Lost Time (number of accidents) ¹⁾	Total	cases	344	462	629 ²⁾	704
	Subtotal	cases	35	45	60	40
	Subtotal	cases	30	33	51	34
	Employee	Fatalities	0	0	0	0
		Injuries	30	33	51	34
		Subtotal	5	12	9	6
	Overseas	Fatalities	0	0	1	0
		Injuries	5	12	8	6
	Subtotal	cases	309	417	569 ²⁾	664
	Subtotal	cases	302	412	555 ²⁾	659
	Domestic	Fatalities	3	3	2	3
		Injuries	299	409	553 ²⁾	656
		Subtotal	7	5	14	5
	Overseas	Fatalities	0	0	0	0
		Injuries	7	5	14	5
	Subtotal	cases	7	5	14	5
Accident Fatality Rate per 10,000		‰	0.63	0.39	0.36	0.59
Lost Time Injury Frequency Rate (LTIFR) ³⁾	Employee	cases/1,000,000 working hours	0.327	0.413	0.529	0.342
	Supplier	cases/1,000,000 working hours	1.982	2.254	2.779 ²⁾	3.778
Occupational Injury Frequency Rate (OIFR) ⁴⁾		cases/1,000,000 working hours	0.651	0.780	1.181	1.311
Total Recordable Injury Rate (TRIR) ⁵⁾	Employee	cases/200,000 working hours	0.284	0.292	0.302	0.223
	Supplier	cases/200,000 working hours	0.513	0.491	0.628	0.812

※ The 2025 accident rate is as of March 31, 2026, and is subject to change upon the finalization of industrial accident calculation results by the Ministry of Employment and Labor.

※ The increase in the supplier Lost Time Injury Frequency Rate (LTIFR) is partially driven by occupational illnesses stemming from cumulative factors, such as musculoskeletal disorders. The impact from an increase in actual injuries or accident-related disasters is deemed limited, and safety and health management activities targeting high-risk operations and vulnerable workers are continuously being strengthened.

※ Fatalities within the number of lost-time accidents include both illnesses and accidents; as of 2025, there were zero cases of illness-related fatalities for both corporate employees and suppliers.

1) Includes incidents resulting from illness and injuries

2) Data has been restated due to the addition of one industrial accident processing case by a joint venture partner at a joint-venture project site.

3) Lost Time Injury Frequency Rate (LTIFR) = (Number of lost-time injuries × 1,000,000(hours)) / Total annual working hours

4) Occupational Injury Frequency Rate (OIFR) = (Number of occupational illnesses × 1,000,000(hours)) / Total annual working hours

5) Total Recordable Injury Rate (TRIR) = (Number of recordable incidents × 200,000(hours)) / Total annual working hours

Social Contribution

Category			Unit	2022	2023	2024	2025	
Employee Volunteer Activities	Number of Participants		persons	3,456	3,519	3,120	2,943	
	Participation Rate		%	51	49	44	43	
	Total Volunteer Hours		hours	12,231	13,512	10,329	11,680	
	Volunteer Hours per Participant		hours	4	4	3	4	
Social Contribution Programs	Social Contribution Expenditures by Type	Subtotal	KRW	14,936,391,408	13,880,912,652	14,619,641,900	15,375,092,855	
		In-kind Donations	KRW	657,403,788	738,970,664	545,947,922	732,827,760	
		Cash Donations	KRW	8,446,417,111	7,311,238,975	6,255,733,842	8,211,174,850	
		Indirect costs	KRW	5,832,570,509	5,830,703,013	7,817,960,136	6,431,090,245	
	Affected Communities Investment Expenditures		KRW	4,961,579,788	4,417,037,639	3,072,917,642	4,875,237,760	
			%	33	32	21	32	
		Social Contribution Expenditures by Area	Charitable Donation Expenditures	KRW	3,899,241,111	3,351,772,000	3,436,964,122	3,858,228,850
				%	26	24	24	25
	Commercial Initiative Expenditures		KRW	6,075,570,509	6,112,103,013	8,109,760,136	6,641,626,245	
			%	41	44	55	43	
	Donations		KRW 100 million	82	70	60	80	
	Sharing Love Fund Contributions		KRW 100 million	2.40	2.40	2.16	2.24	
	Countries with Overseas Construction Projects (Cumulative)		countries	22	22	25	25	
	CSR Mileage		points	3.4	3.9	3.4	3.7	

Number of Employees Receiving Regular Performance Review

Category	Unit	2022	2023	2024	2025
Percentage of the Employees Receiving Regular Performance Review	%	100	100	100	100
Percentage of the Employees Receiving Regular Performance Reviews (Male)	%	100	100	100	100
Percentage of the Employees Receiving Regular Performance Reviews (Female)	%	100	100	100	100
Percentage of the Employees Receiving Regular Performance Reviews (Senior Managers)	%	100	100	100	100
Percentage of the Employees Receiving Regular Performance Reviews (Junior Managers)	%	100	100	100	100
Percentage of the Employees Receiving Regular Performance Reviews (Non-Managers)	%	100	100	100	100

※ Performance review data are based on employees eligible for performance reviews, including both permanent and temporary employees.

Employee Engagement

Category	Unit	2022	2023	2024	2025
Employee Participation Rate	%	74.5	82.7	86.7	80.9
Average Engagement Score	points	67.7	75.4	77.1	76.9

ESG DATA (Hyundai E&C, Separate Basis)

Social

Status of Suppliers

	Category	Unit	2022	2023	2024	2025
Tier-1 Suppliers	Subtotal	suppliers	211	207	242	238
	Procurement	suppliers	57	56	88	97
	Outsourcing & Construction	suppliers	154	151	154	141
	Number of Significant Suppliers	suppliers	39	34	44	42
	Percentage of Significant Suppliers	%	18	16	18	18
Non-tier 1 Suppliers ¹⁾		companies	0	0	0	0
Financial Support for Suppliers		Shared Growth Fund Support	KRW 100 million	1,600	1,660	1,660

※ Tier-1 suppliers are defined as suppliers with transaction records during the reporting year that demonstrate outstanding competitiveness in areas such as technology, safety, quality, execution capability, and sustainability (ESG).
1) No Tier-2 suppliers with significant ESG risks were identified beyond tier-1 suppliers. Re-subcontracting is prohibited under the Framework Act on the Construction Industry.

Human Rights Risk Assessment of Business Sites

	Category	Unit	2022 ¹⁾	2023	2024	2025
Number of Business Sites Assessed for Human Rights Risk	Subtotal	sites	36	159	166	122
	Domestic	sites	–	118	124	89
	Overseas	sites	36	41	42	33
Number of Business Sites with Identified Human Rights Risk	Subtotal	sites	3	47	0	0
	Domestic	sites	–	46	0	0
	Overseas	sites	3	1	0	0
Number of Business Sites with Human Rights Risk Mitigation or Remediation Plans Established	Subtotal	sites	3	47	0	0
	Domestic	sites	–	46	0	0
	Overseas	sites	3	1	0	0
Number of Business Sites Human Rights Risk Mitigation or Remediation Plans Completed	Subtotal	sites	3	47	0	0
	Domestic	sites	–	46	0	0
	Overseas	sites	3	1	0	0

※ Hyundai E&C plans to enhance its business site human rights risk assessment indicators and methodology to strengthen management and prevent unidentified potential risks from occurring.
1) Information restated due to an error in the 2022 figures

Customer Satisfaction

	Category	Unit	2022	2023	2024	2025
Customer Satisfaction Survey ¹⁾		points	80.6	81.3	84.0	86.3
Customer VOC Management ²⁾	Number of Cases Received	cases	10,627	14,413	16,370	20,020
	Number of Cases Processed	cases	10,627	14,413	16,370	20,020
	Processing Rate	%	100	100	100	100

1) From 2023 onward, the customer quality satisfaction survey criteria have been revised.
2) Data are based on housing/general customers.

ESG DATA (Hyundai E&C, Separate Basis)

Governance

Board of Directors

Category			Unit	2022	2023	2024	2025
Board of Directors Composition	Total Number of Directors (on the BOD)		members	7	7	7	7
	Executive Directors		members	3	3	3	3
	Independent Directors		members	4	4	4	4
	Other Non-executive Directors		members	0	0	0	0
	Percentage of Independent Directors		%	57.14	57.14	57.14	57.14
	Percentage of Female Directors		%	14.29	14.29	14.29	14.29
	Board Independence	Number of Independent Directors or Audit Committee Members Nominated through Shareholder Proposals	members	0	0	0	0
		Number of Independent Directors with Conflicts of Interest	members	0	0	0	0
	Board Effectiveness	Number of Independent Directors Holding Four or Fewer Concurrent Positions	members	4	4	4	4
Board of Directors Operations	Number of Board of Directors Meetings Held		meetings	11	8	10	12
	Average Board of Directors Meeting Attendance Rate		%	97.4	100	95.6	94.05
	Number of Proposals for which Independent Directors Expressed Dissenting Opinions or Proposed Amendments		proposals	0	1	0	0
	Frequency of Board Review of ESG Impacts, Risks, and Opportunities		frequency	8	10	8	13
	Average Board Tenure ¹⁾		years	2.0	2.6	3.0	1.6
Board of Directors Compensation	CEO Compensation (Base Salary + Variable Compensation)		KRW million	1,791	1,661	2,011	926
	Ratio of CEO Compensation to Employee Compensation		%	9.8	15.81	18.45	8.27
Aggregate Shareholding of Executive Directors Excluding the Largest Shareholder and Related Parties			%	0	0	0	0

1) Recalculated based on the general shareholders' meeting.

Board Committees

Category		Unit	2022	2023	2024	2025
Audit Committee	Percentage of Audit Committee Members Meeting Financial Expert Qualification Requirements	%	25	25	25	25
	Ratio of Non-Audit Service Fees to Audit Service Fees Paid to the External Auditor	%	–	11.5	26.7	1.3
	Percentage of Independent Directors	%	100	100	100	100
	Independent Director Attendance Rate	%	96	100	100	100
	Number of Committee Meetings Held	meetings	6	7	6	7
Compensation Committee	Percentage of Independent Directors	%	67	67	67	100
	Independent Director Attendance Rate	%	100	100	100	100
	Number of Committee Meetings Held	meetings	1	2	1	1
Nominating Committee for Independent Directors	Percentage of Independent Directors	%	80	67	67	67
	Independent Director Attendance Rate	%	75	100	100	100
	Number of Committee Meetings Held	meetings	1	1	2	2
Sustainability Management Committee	Percentage of Independent Directors	%	100	100	100	100
	Independent Director Attendance Rate	%	94	100	100	100
	Number of Committee Meetings Held	meetings	9	8	6	8

Shareholders

Category		Unit	2022	2023	2024	2025
Shares Owned by CEO ¹⁾		shares	4,339	5,039	5,039 ²⁾	2,201 ³⁾
Shares Owned by Registered Directors Other than the CEO ⁴⁾		shares	100	1,100	4,100	5,300
Aggregate Shareholding of Registered Executives		%	0	0	0	0
Percentage of Voting Rights Held by Government Agencies ⁵⁾		%	8	8	7	11
Percentage of Total Voting Rights Held by Founders		%	21	21	21	21
Date of Advance Notice Regarding the Venue, Agenda, and Other Matters for the Annual General Shareholders' Meeting		days	30	34	29	30

1) Common and preferred shares

2) Yoon Young-Joon, former Chief Executive Officer (retired effective November 17, 2024)

3) Share ownership changed following the appointment of Lee Han-Woo as Chief Executive Officer on January 3, 2025 (Shares owned by CEO Lee Han-Woo: 2,201 shares).

4) As of the filing date of the annual report

5) National Pension Service (NPS)

ESG DATA (Hyundai E&C, Separate Basis)

Governance

Compliance

Category		Unit	2022	2023	2024	2025
Ethics Violations ¹⁾	Total Number of Ethics Violations	cases	12	30	19	16
	Corruption or Bribery (Acceptance of Entertainment/Hospitality)	cases	4	22	14	10
	Discrimination or Harassment	cases	5	8	5	6
Ethics Violations by Category	Customer Personal Data Breaches	cases	0	0	0	0
	Conflict of Interest	cases	0	0	0	0
	Money Laundering or Insider Trading	cases	0	0	0	0
	Others	cases	3	0	0	0
Disciplinary Actions for Ethics Violations	Dismissal for Disciplinary Reasons	cases	4	16	7	6
	Requested Resignation	cases	0	5	1	2
	Suspension	cases	2	1	4	3
	Pay Cut	cases	5	5	3	3
	Reprimand	cases	5	3	4	2

1) Disciplinary Committee Decision Criteria

Status of Reports to the Cyber Audit Office

Category	Unit	2022	2023	2024	2025
Number of Reports	cases	151	178	228	126
Substantiated Cases	cases	64	46	16	12
Unsubstantiated Cases	cases	87	132	212	114

Anti-Corruption Risk

Category	Unit	2022	2023	2024	2025
Anti-Corruption Risk Assessment (ISO 37001) Coverage ratio	%	100	100	100	100

Research and Development

	Category	Unit	2022	2023	2024	2025
Costs	Total Company R&D Costs ¹⁾	KRW 100 million	1,368	1,643	1,779	1,646
	Government Subsidies	KRW 100 million	33	61	78	57
	Personnel Operating Costs	KRW 100 million	169	190	197	210
Investment	Technology Development Costs	KRW 100 million	30	45	43	29
	Asset Acquisition Costs	KRW 100 million	21	2	6	2
Workforce	Number of R&D Personnel	persons	141	157	160	161
R&D Projects	Government-Funded Projects	projects	8	15	18	21
	Internally Funded Projects	projects	36	63	48	30
Patent and Technology Acquisition	Patent Registrations	registrations	38	31	44	63
	Patent Applications	cases	76	78	61	38
Status of New and Green Technologies	Status of Green Technologies Held	cases	2	1	1	0
	Status of New Technologies Held	cases	15	14	12	12

1) Total company R&D costs include technology development costs.

Political Contributions

Category		Unit	2022	2023	2024	2025
Political Contributions	Subtotal	KRW million	2,551	2,129	2,534 ¹⁾	2,665
	Associations or Tax-Exempt Organizations	KRW million	2,551	2,129	2,534 ¹⁾	2,665
	Internal and External Lobbying Expenditures	KRW million	0	0	0	0
	Contributions for Political Influence Activities	KRW million	0	0	0	0
	Lobbying Association Membership Fee	KRW million	0	0	0	0

※ As of 2025, the Company complies with Article 31 (Restrictions on Contributions) under Chapter VI of the Political Funds Act of Korea, which prohibits political contributions by corporations and organizations. Accordingly, the Company made no direct or indirect political contributions in any form during the reporting period.

※ Top 5 Institutions by Donations and Contributions in 2025.

(1) Construction Association of Korea (KRW 926 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 462 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 273 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

1) Information has been restated due to changes in the calculation methodology

Information Security

Category		Unit	2022	2023	2024	2025
Privacy and Data Breaches	Complaints Filed by Regulatory Authorities	cases	0	0	0	0
	Complaints Received from Externally and Verified by the Organization	cases	0	0	0	0
	Number of Confirmed Customer Data Breaches, Thefts, or Losses	cases	0	0	0	0
Monetary Losses Resulting from Legal Proceedings Related to Privacy Protection	Monetary Losses Incurred During the Reporting Period Due to Litigation Related to Customer Privacy	KRW million	0	0	0	0
Certified Business Sites	Percentage of Business Sites Certified with Information Security Management System (ISO 27001)	%	100	100	100	100
	Number of Vulnerability Assessments Conducted	cases	1,015	2,318	1,568	3,360
	Number of Identified Risks	cases	52	153	134	129
Risk Assessment	Risk Identification Rate	%	5.1	6.6	8.5	3.8
	Number of Risks Mitigated	cases	52	153	134	129
	Risk Mitigation Rate	%	100	100	100	100

※ Figures for individual items have been rounded to the nearest decimal place; therefore, the reported total may differ slightly from the sum of the individual items

ESG DATA (Hyundai E&C, Consolidated Basis)

Environmental

- This report includes non-financial information from Hyundai E&C, Hyundai Engineering & Steel Industries, Hyundai City Corporation, Songdo Landmark City, Hyundai Eco Energy, and the Hyundai Farm Land & Development within the disclosure scope, based on quantitative materiality (1% or more of assets and revenue) and qualitative materiality (priority given to domestic subsidiaries). This coverage encompasses 99.2% of the Company’s consolidated revenue. In response to the growing importance of non-financial information disclosure, Hyundai E&C is striving to expand the disclosure scope to include consolidated entities identical to those required by global disclosure standards such as the ESRS and ISSB.
- Where data could not be compiled as of the report publication date, it is indicated as “–”; if the calculation scope differs due to the omission of data from certain subsidiaries, the relevant data scope is clearly stated in the notes. Hyundai E&C will continue to strive to ensure the accuracy and completeness of non-financial information disclosures on a consolidated basis.

Greenhouse Gases (Scope 1 & 2 Emissions Status)

Category	Unit	2022	2023	2024	2025			
		Total ¹⁾	Total ¹⁾	Total ¹⁾	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Direct and Indirect Greenhouse Gas Emissions (Scope 1 & 2)	tCO ₂ -eq	454,747	462,302	358,366	321,984	228,824	83,060	10,100
Direct Greenhouse Gas Emissions (Scope 1) ²⁾	tCO ₂ -eq	335,299	313,273	190,746	159,453	112,013	46,020	1,420
Indirect Greenhouse Gas Emissions (Scope 2)	tCO ₂ -eq	119,449	149,029	167,623	162,534	116,813	37,040	8,680
Greenhouse Gas Emission Intensity (Scope 1 & 2) ³⁾	tCO ₂ -eq/KRW 100 million	2.12	1.54	1.11	1.04	1.39	0.60	1.55

※ The top five major subsidiaries have not obtained third-party assurance for greenhouse gas emissions and energy use.
※ The indicator calculation is location-based.
1) The aggregated data have been restated by harmonizing the greenhouse gas emissions calculation methodology across subsidiaries and correcting an error in the greenhouse gas emissions intensity data.
2) Data for 2022~2023 excludes Hyundai Eco Energy.
3) Scope 1 and 2 emissions/Individual Company Revenue

Scope 3 Emissions Status by Category

Category	Unit	2022	2023	2024	2025		
		Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering
Other Indirect Greenhouse Gas Emissions (Scope 3)	tCO ₂ -eq	8,320,921	7,230,784	7,323,141	7,802,561	5,984,916	1,817,645
Upstream	tCO ₂ -eq	5,074,379	3,872,652	3,655,078	3,261,679	2,391,213	870,466
Cat1. Purchased Goods and Services	tCO ₂ -eq	3,616,176	3,671,281	3,502,020	3,147,961	2,303,931	844,030
Cat2. Capital Goods	tCO ₂ -eq	1,209	480	247	283	266	17
Cat3. Fuel and Energy-Related Activities Not Included in Scope 1 or 2	tCO ₂ -eq	13,110	76,682	48,243	42,563	40,798	1,765
Cat4. Upstream Transportation and Distribution	tCO ₂ -eq	1,349,779	95,720	74,937	51,813	41,981	9,832
Cat5. Waste Generated in Operations	tCO ₂ -eq	39,359	16,921	14,971	9,838	24	9,814
Cat6. Business Travel	tCO ₂ -eq	9,741	10,786	13,869	8,415	3,730	4,685
Cat7. Employee Commuting	tCO ₂ -eq	45,005	781	789	806	483	323
Downstream	tCO ₂ -eq	3,246,542	3,358,132	3,668,063	4,540,883	3,593,704	947,179
Cat11. Use of Sold Products	tCO ₂ -eq	2,826,891	3,015,973	3,356,939	3,854,317	2,972,031	882,286
Cat12. End-of-Life Treatment of Sold Products	tCO ₂ -eq	358,948	290,764	289,702	646,366	581,473	64,893
Cat15. Investments	tCO ₂ -eq	60,703	51,395	21,422	40,200	40,200	–

※ Data from Hyundai E&C and Hyundai Engineering.

ESG DATA (Hyundai E&C, Consolidated Basis)

Environmental

Energy

Category	Unit	2022	2023	2024	2025			
		Total ¹⁾	Total ¹⁾	Total ¹⁾	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Total Energy Consumption (A+B)	MWh	1,562,359	1,465,803	1,100,690	1,015,987	690,148	301,263	24,577
Total Non-Renewable Energy Consumption (A)	MWh	1,562,298	1,465,737	1,100,567	1,015,356	689,521	301,259	24,577
Direct Energy Consumption	MWh	1,310,492	1,159,305	747,437	667,381	437,473	224,226	5,682
Indirect Energy Consumption	MWh	251,806	306,431	353,130	347,975	252,047	77,033	18,895
Total Renewable Energy Consumption (B)	MWh	61	66	123	631	627	4	–
Energy Intensity ²⁾	MWh/KRW 100 million	7.27	4.89	3.41	3.27	4.18	2.17	3.78

※ The top five major subsidiaries have not obtained third-party assurance for greenhouse gas emissions and energy use.
1) The aggregated data have been restated by harmonizing the energy consumption calculation methodology across subsidiaries.
2) Energy consumption/Individual Company Revenue

Water Resources

Category	Unit	2022	2023	2024	2025			
		Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Total Water Withdrawal ¹⁾	kilotonnes	2,032.03	2,600.65	3,333.31	4,679.77	3,067.96	1,534.80	77.01
Municipal Water Supply ²⁾	kilotonnes	1,307.91	1,476.95	1,959.18	3,197.88	1,876.90	1,276.75	44.23
River Water	kilotonnes	397.82	505.12	264.18	298.97	257.19	41.78	–
Groundwater	kilotonnes	246.22	564.76	1,102.90	1,174.53	925.48	216.27	32.78
Other	kilotonnes	80.08	53.82	7.05	8.39	8.39	–	–
Total Discharge ²⁾³⁾	kilotonnes	565.51	505.29	837.74	1,352.25	615.13	734.87	2.25
Water Consumption ³⁾	kilotonnes	1,466.52	2,095.36	2,495.58	3,327.52	2,452.83	799.93	74.76

1) Includes Hyundai E&C, Hyundai Engineering, and all major subsidiaries.
2) The total discharge data for 2022–2023 have been restated due to an error in the aggregated data.
3) Except for Hyundai Engineering & Steel Industries, other major subsidiaries do not measure discharge or measure water consumption (Not Applicable).

ESG DATA (Hyundai E&C, Consolidated Basis)

Environmental

Waste

Category	Unit	2022 ¹⁾	2023 ¹⁾	2024 ¹⁾	2025			
		Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Total Waste Generation	tonnes	2,032,471	2,104,598	1,791,380	1,845,199	1,374,701	469,763	735
Landfill	tonnes	5,017	13,200	686	488	–	136	352
Incineration (without energy recovery)	tonnes	692	576	1,157	39	7	–	32
Incineration (energy recovery)	tonnes	–	126	–	324	–	324	–
Recycling	tonnes	2,026,762	2,090,695	1,789,537	1,844,348	1,374,694	469,303	351
Non-Hazardous Waste Generation ²⁾	tonnes	2,032,055	2,103,903	1,791,276	1,845,004	1,374,693	469,704	607
Landfill	tonnes	4,645	12,583	679	397	–	88	309
Incineration (without energy recovery)	tonnes	688	576	1,065	7	7	–	–
Incineration (energy recovery)	tonnes	–	121	–	315	–	315	–
Recycling	tonnes	2,026,722	2,090,622	1,789,531	1,844,286	1,374,686	469,302	299
Hazardous Waste Generation	tonnes	416	695	104	195	9	59	128
Landfill	tonnes	372	617	7	91	–	48	43
Incineration (without energy recovery)	tonnes	4	–	92	32	–	–	32
Incineration (Energy Recovery)	tonnes	–	5	–	9	–	9	–
Recycling	tonnes	40	73	5	63	9	1	53

※ Among major subsidiaries, Hyundai Eco Energy, Hyundai City Corporation, and Songdo Landmark City are excluded from the data as they do not generate waste (Not Applicable).

1) Disclosure of corrected aggregate data due to the harmonization of waste generation metrics for subsidiaries.

2) Non-hazardous waste refers to the combined total of construction waste and industrial waste.

ESG DATA (Hyundai E&C, Consolidated Basis)

Environmental

Revenue from Energy-Efficient Buildings

Category		Unit	2022	2023	2024	2025
			Total	Total	Total	Total
Energy-Efficient Buildings ¹⁾	Revenue (A)	KRW million	3,208,071	4,805,163	4,629,051	1,877,031
	Revenue to Total Buildings Ratio	%	25	31	28	13
Revenue from Other Sustainable Products and Services (B) ²⁾		KRW million	4,578,995	9,718,275	12,133,729	12,189,485
Total revenue from Sustainable Products and Services (A+B)		KRW million	7,787,066	14,523,438	16,762,780	14,066,516
Revenue Ratio of Sustainable Products and Services		%	37	49	51	45

※ Revenue is calculated as the total revenue of Hyundai E&C and Hyundai Engineering.
1) Energy efficiency rating of Grade 1 or higher.
2) Sustainable products and services other than buildings with an energy efficiency rating of Grade 1.

Revenue from Green Building Certified and LEED Certified Buildings

Category	Unit	2022	2023	2024	2025
		Total	Total	Total	Total
Certified to Total Buildings Ratio	%	58	57	63	69
Revenue from Certified Buildings	KRW million	5,879,377	9,427,363	10,298,603	9,198,615
Revenue Ratio of Certified Buildings	%	28	32	32	30

※ Revenue is calculated as the total revenue of Hyundai E&C and Hyundai Engineering.

ESG DATA (Hyundai E&C, Consolidated Basis)

Social

Employees Status

Category		Unit	2022	2023	2024	2025			
			Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Total Employees (including temporary employees)		persons	14,272	14,876	14,859	13,961	6,902	6,770	289
By Gender	Male	persons	12,603	13,134	13,145	12,426	6,155	6,015	256
	Female	persons	1,669	1,742	1,714	1,535	747	755	33
	Percentage of Females	%	11.69	11.71	11.54	10.99	10.82	11.15	11.42
By Age	Under 30	persons	1,425	1,619	1,471	1,210	825	366	19
	Ages 30–49	persons	10,028	9,908	9,863	9,327	4,357	4,797	173
	50 and Over	persons	2,819	3,349	3,525	3,424	1,720	1,607	97
By Employment Type ¹⁾	Permanent Employees	persons	9,156	9,357	9,650	9,480	4,410	4,861	211
	Temporary Employees	persons	5,116	5,519	5,209	4,481	2,492	1,909	78
By Region/Nationality ²⁾³⁾	Domestic	persons	7,107	14,837	14,711	13,852	6,841	6,722	289
	Asia (Domestic and International)	persons			116	73	36	37	0
	Europe/CIS	persons	10	21	15	14	8	6	0
	Americas/Pacific	persons	11	13	13	16	14	2	0
	Africa	persons	2	2	3	3	2	1	0
	Other	persons	–	3	1	3	1	2	0
Employees with Disabilities ⁴⁾		persons	425	440	377	301	189	108	4

※ The percentage of managers by region/nationality in 2025 : Asia 100%, Other regions : 0%.

1) Includes executives (including executive directors among registered directors; excludes independent directors and other non-executive directors).

2) From 2023 onward, the employment rate discloses separately for Korea and Asia to enhance data quality and comparability.

3) From 2023 onward, Hyundai Engineering data have been included in the disclosure.

4) Each employee with a severe disability is counted as two persons.

Female Employees Status

Category	Unit	2022	2023		2024		2025				
		Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Percentage of Female Managers to Total Managers	%	4.18	4.5	4.48	4.72	4.43 ¹⁾	5.05	4.81	4.72	5.00	2.01
Percentage of Female Senior Managers ²⁾ to Total Senior Managers (Two Levels Below the CEO)	%	2.76	1.4	2.86	1.77	3.1	2.09	2.80	3.27	2.34	1.08
Percentage of Female Junior Managers to Total Junior Managers	%	6.55	7.9	7.37	8.33	6.82	9.05	8.14	7.65	8.68	3.57
Percentage of Females in Revenue-Generating Departments/ Roles to Total Revenue-Generating Departments/Roles	%	8.55	3.9	8.29	4.29	7.77	6.99	7.44	7.47	7.20	10.15
Percentage of Females in STEM ³⁾ Roles to Total STEM Roles	%	14.06	8.9	14.05	14.54	13.23	15.02	13.47	12.74	14.32	–

※ From 2023 onward, the disclosed data include major subsidiaries to enhance data quality and comparability (For the 2024 data of major subsidiaries, please refer to page 132 of the 2025 Sustainability Report).

1) Restated due to a data entry error.

2) Includes executives (including executive directors among registered directors; excluding independent directors and other non-executive directors).

3) Non-Business Department (Science, Technology, Engineering, and Mathematics)

Average Tenure

Category	Unit	2025							
		Hyundai E&C	Hyundai Engineering	Hyundai Engineering & Steel Industries		Hyundai City Corporation	Songdo Landmark City	Hyundai Eco Energy	Hyundai Farm Land & Development
Average Tenure	years	14.0	10.8	8.3		7.3	3.0	3.7	9.1

* Scope of calculation: All permanent employees (excluding registered directors).

ESG DATA (Hyundai E&C, Consolidated Basis)

Social

Recruitment

Category			Unit	2022	2023	2024	2025			
				Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Number of New Hires			persons	4,383	3,328	2,646	1,751	1,141	567	43
By Gender	Male	Number of Employees	persons	3,598	2,821	2,208	1,457	942	476	39
		Percentage	%	82.09	84.77	83.45	83.21	82.56	83.95	90.70
	Female	Number of Employees	persons	785	507	438	294	199	91	4
		Percentage	%	17.91	15.23	16.55	16.79	17.44	16.05	9.30
	By Age	Under 30	Number of Employees	persons	1,176	949	648	432	330	97
Percentage			%	26.83	28.52	24.49	24.67	28.92	17.11	11.63
Ages 30–49		Number of Employees	persons	2,665	1,898	1,493	986	633	330	23
		Percentage	%	60.80	57.03	56.42	56.31	55.48	58.20	53.49
50 and Over		Number of Employees	persons	542	481	505	333	178	140	15
		Percentage	%	12.37	14.45	19.09	19.02	15.60	24.69	34.88
By Job Level ²⁾		Managerial Level	Senior Managers ¹⁾	persons	475	209	184	143	72	64
	Junior Managers		persons	330	361	144	197	113	83	1
	Non-managerial Level		persons	1,756	1,456	2,318	1,411	956	420	35
	Retention Rate ²⁾			%	54	54	83.02	87.46	83.47	91.62
Average Employment Cost per Person			KRW	211,933	303,538	278,039	297,753	354,730	147,449	–

1) Includes executives.
2) From 2023 onward, the disclosed data include major subsidiaries to enhance data quality and comparability. For the 2024 data of major subsidiaries, please refer to page 133 of the 2025 Sustainability Report.

Turnover

Category			Unit	2022	2023	2024	2025			
				Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Total Turnover Rate ¹⁾			%	21.13	16.74	19.40	20.22	19.43	21.08	19.03
By Gender	Male		%	19.66	15.74	18.25	18.86	18.05	19.65	19.92
	Female		%	32.17	24.27	28.70	31.21	30.79	32.45	12.12
By Age	Under 30		%	36.91	28.54	31.14	28.60	23.39	39.34	47.37
	Ages 30–49		%	18.42	14.86	16.65	17.70	18.18	17.55	9.83
	50 and Over		%	22.77	16.60	22.21	24.12	20.70	27.44	29.90
Voluntary Turnover Rate			%	8.94	5.95	4.74	4.43	3.48	5.35	5.54

1) Includes both involuntary turnover (such as contract expiration, project completion, retirement, transfer to other affiliates, reassignment, and recommendation to resign) and voluntary turnover.

ESG DATA (Hyundai E&C, Consolidated Basis)

Social

Wages

Category		Unit	2022		2023		2024		2025		
			Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering	Total	Hyundai E&C	Hyundai Engineering
Managerial Level ¹⁾	Average Base Salary (Male)	KRW	57,166,054	59,256,374	61,385,463	63,027,238	63,538,424	65,419,438	66,181,434	65,265,030	67,151,618
	Average Base Salary (Female)	KRW	53,218,868	55,764,923	56,021,703	58,817,540	58,600,422	60,710,845	61,041,289	60,188,492	61,872,977
	Base Salary + Additional Allowances (Male)	KRW	114,476,268	71,109,043	122,833,726	71,398,451	126,176,205	123,822,894	125,714,362	129,218,490	122,004,594
	Base Salary + Additional Allowances (Female)	KRW	96,794,554	65,159,148	101,309,812	66,668,429	104,938,151	102,905,883	103,276,103	107,655,583	99,005,025
Non-managerial Level	Average Base Salary (Male)	KRW	22,540,783	35,015,900	27,155,542	32,587,786	28,656,185	37,195,441	33,265,984	29,930,393	38,219,159
	Average Base Salary (Female)	KRW	16,959,208	29,124,297	22,806,693	24,193,909	22,727,404	32,881,115	28,140,289	23,827,082	34,414,755

※ Total wages are based on actual payroll records and is calculated using the average wage of all employees who received salary payments during the reporting period, including both permanent and temporary employees.
※ The 2022–2023 data have been restated due to changes in the calculation methodology (including permanent and temporary employees).
1) Excludes executives

Training

Category		Unit	2022	2023	2024	2025			
			Total	Total	Total	Total	Hyundai E&C	Hyundai Engineering	Major Subsidiaries
Total Training Hours		hours	303,081	507,796	528,925	672,286	287,675	382,375	2,236
By Gender	Male	hours	141,586	439,602	462,237	595,654	254,041	339,819	1,794
	Female	hours	7,078	67,699	66,688	76,633	33,634	42,556	442
By Age ¹⁾	Under 30	hours	22,221	80,046	58,217	72,566	48,495	23,932	139
	Ages 30–49	hours	99,609	348,936	378,120	463,654	180,319	282,360	975
	50 and Over	hours	26,834	78,319	92,588	135,421	58,861	76,083	477
Average Training Hours		hours/person	25.31	32.07	35.60	48.15	41.68	56.48	7.74
Total Training Investment Cost		KRW million	5,249	5,040	4,973	5,739	3,071	2,650	18
By Gender	Male	KRW million	1,636	1,795	4,389	5,151	2,783	2,354	14.45
	Female	KRW million	95	255	584	588	288	296	3.55
By Age ²⁾	Under 30	KRW million	126	289	437	584	424	159	1.02
	Ages 30–49	KRW million	1,228	1,341	3,359	3,764	1,794	1,961	9.10
	50 and Over	KRW million	376	422	1,176	1,388	853	530	5.20
Average Training Investment Cost		KRW million/person	0.44	0.32	0.33	0.41	0.44	0.39	0.06

※ Due to a lack of detailed data on training hours and training investment costs for some companies, the total of the detailed data differs from the total training hours and total training investment costs.
1) Excludes Hyundai Engineering & Steel industries data for 2025.
2) Excludes Hyundai Eco Energy data for 2024 and Hyundai Engineering & Steel industries data for 2025.

ESG DATA (Hyundai E&C, Consolidated Basis)

Social

Number of Employees Receiving Regular Performance Reviews

Category	Unit	2025							
		Hyundai E&C	Hyundai Engineering	Hyundai Engineering & Steel Industries	Hyundai Farm Land & Development	Hyundai City Corporation	Songdo Landmark City	Hyundai Eco Energy	
Percentage of Employees Receiving Regular Performance Reviews	%	100	100	100	100	100	100		-

Employee Engagement

Category	Unit	2022		2023		2024		2025	
		Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering	Hyundai E&C	Hyundai Engineering
Average Engagement Score	points	67.7	60.2	75.4	72.9	77.1	75.1	76.9	69.2

ESG DATA (Hyundai E&C, Consolidated Basis)

Social

Safety

Category			2022			2023			2024			2025		
			Total	Hyundai E&C	Hyundai Engineering	Total	Hyundai E&C	Hyundai Engineering	Total	Hyundai E&C	Hyundai Engineering	Total	Hyundai E&C	Hyundai Engineering
Lost Time Injury Frequency Rate (LTIFR) ¹⁾	Employee	cases / million work hours	0.240	0.327	0.002	0.290	0.413	0.006	0.179	0.529	0.009	0.224	0.342	0.009
	Supplier	cases / million work hours	1.770	1.982	0.984	2.022	2.254	1.168	2.478 ²⁾	2.779 ²⁾	1.489	3.225	3.778	1.859
Number of Fatalities	Employee	persons	0	0	0	0	0	0	1	1	0	0	0	0
	Supplier	persons	6	3	3	6	3	3	4	2	2	8	3	5

※ The 2025 accident rate is as of March 31, 2026, and is subject to change upon the finalization of industrial accident calculation results by the Ministry of Employment and Labor.

※ Data from Hyundai E&C and Hyundai Engineering.

1) Lost Time Injury Frequency Rate (LTIFR) = (Number of Lost-Time Injuries × 1,000,000 (hours)) / Total annual working hours

2) The data have been restated to reflect the addition of one occupational injury case reported by a partner company at a jointly contracted project.

Customer Satisfaction

Category		Unit	2022	2023	2024	2025
Hyundai E&C	Customer Quality Satisfaction	points	81	81	84	86.3
Hyundai Engineering	Contracting Client Satisfaction	points	87	86	83	86

Human Capital Return on Investment (ROI)

Category	Unit	2022	2023	2024	2025
Total Human Capital Investment Revenue ¹⁾	KRW million	21,239,082	29,651,357	32,670,268	31,062,912
Human Capital Investment Operating Expenses ²⁾	KRW million	19,726,334	27,948,549	32,887,201	29,082,629
Employee-related Costs (Employee salaries) ³⁾	KRW million	1,331,555	1,484,579	1,564,787	1,550,774
Human Capital ROI ⁴⁾	—	2.14	2.15	0.86	2.28

1) Revenue based on the consolidated financial statements.

2) Operating expenses based on the consolidated financial statements.

3) Annual total salaries disclosed in the annual report.

4) [Total human capital investment revenue – (Human capital investment operating expenses – Employee-related costs)] / Employee-related costs

ESG DATA (Hyundai E&C, Consolidated Basis)

Governance

Board of Directors

Category			Unit	2025							
				Hyundai E&C	Hyundai Engineering	Hyundai Engineering & Steel Industries	Hyundai Farm Land & Development	Hyundai City Corporation	Songdo Landmark City	Hyundai Eco Energy	
Board of Directors Composition	Total Number of Directors (on the BOD)		persons	7	7	3	3	3	3	5	
	Executive Directors		persons	3	3	1	1	1	1	1	
	Independent Directors		persons	4	4	0	0	0	0	0	
	Other Non-Executive Directors		persons	0	0	2	2	2	2	4	
	Percentage of Independent Directors		%	57.14	57.14	0	0	0	0	0	
	Board Diversity	Gender	Male	persons	6	6	3	3	3	3	5
		Gender	Female	persons	1	1	0	0	0	0	0
			Female Ratio	%	14.29	14.29	0	0	0	0	0
Board of Directors Operations	Independent Directors Attendance Rate		%	97.92	96.42					— ¹⁾	
Average Board Tenure ²⁾			years	1.6	3.5					— ³⁾	

1) Not tracked due to the absence of independent directors.
2) Based on the shareholders' meeting held in March 2026.
3) Not tracked.

※ Figures for individual items have been rounded to the nearest decimal place; therefore, the reported total may differ slightly from the sum of the individual items

KSSB Index

KSSB No. 1 (General Requirements for Disclosure of Sustainability-related Financial Information)

Category	Key Contents	Page	
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	How often the body(s) or individual(s) is informed about sustainability-related risks and opportunities	28, 44, 56	
	How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions and its risk management processes and related policies.	29, 44, 56	
	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.	29, 44, 56	
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	How oversight is exercised over that position or committee	15, 29, 44, 57	
	Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities	29, 44, 57	
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Strategy	Sustainability-related risks and opportunities	Sustainability-related risks and opportunities that could reasonably be expected to affect the entity’s prospects	18, 24, 30, 45, 58
		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	30, 45, 58
		How the entity defines ‘short term’, ‘medium term’ and ‘long term’	30, 45, 57–58
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		How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability related risks and opportunities, taking into consideration	34, 48, 64
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KSSB Index

KSSB No. 1 (General Requirements for Disclosure of Sustainability-related Financial Information)

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KSSB Index

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KSSB Index

KSSB No. 2 (Climate-related Disclosures)

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ESRS Index

Hyundai E&C reports its ESG performance and data for the period from January 1, 2025, to December 31, 2025, in accordance with the “Simplified EU Sustainability Reporting Standards (Simplified ESRS)” issued in November 2025. (Including certain information for 2026)

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ESRS E4. Biodiversity and Ecosystems

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ESRS E5. Resource Use and Circular Economy

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	ESRS S1-2	Engagement with own workforce and workers' representatives, existence of channels for own workforce to raise concerns or needs and approaches to remedy	41, 94, 103
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	ESRS S1-4	Targets related to own workforce	105, 144
	ESRS S1-5	Characteristics of the undertaking's employees	144
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	ESRS S1-7	Collective bargaining coverage and social dialogue	103
	ESRS S1-8	Diversity metrics	144
	ESRS S1-9	Adequate wages	93, 96, 146
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	ESRS S1-15	Remuneration metrics	146
	ESRS S1-16	Incidents of discrimination and other human rights incidents	94, 131, 151

ESRS S2. Workers in the Value Chain

Category	Disclosure Requirement	Key Content	Page
Impacts, Risks, and Opportunities Management	ESRS S2-1	Policies related to workers in the value chain	107
	ESRS S2-2	Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy	41, 109
	ESRS S2-3	Actions and resources related to workers in the value chain	106, 108-109
Metrics and Targets	ESRS S2-4	Targets related to workers in the value chain	110

ESRS S3. Affected Communities

Category	Disclosure Requirement	Key Content	Page
Impacts, Risks, and Opportunities Management	ESRS S3-1	Policies related to affected communities	112
	ESRS S3-2	Engagement with affected communities, existence of channels for affected communities to raise concerns or needs and approaches to remedy	112
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ESRS S4. Consumers and End-Users

Category	Disclosure Requirement	Key Content	Page
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ESRS G1. Business Conduct

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Metrics and Targets	ESRS G1-4	Metrics related to corruption or bribery	131, 151
	ESRS G1-5	Metrics related to political influence, including lobbying activities	180
	ESRS G1-6	Metrics related to payment practices	130

GRI Standards 2021 Index

Standards Used	Hyundai E&C reports its ESG performance and data for the period from January 1, 2025, to December 31, 2025, in accordance with the GRI reporting approach. (Including certain information for 2026)
GRI Standard Used	GRI 1 Foundation 2021
Applicable GRI Sector Standards	As of the reporting date, the GRI Sector Standard for the construction industry applicable to Hyundai E&C had not been issued; therefore, the sector standard was not applied.

Universal Standards

[GRI 2: General Disclosures 2021]

Category	No.	Disclosure	Page	Category	No.	Disclosure	Page
Organization and reporting practices	2-1	Organizational details	8, Annual report 435-436	Governance	2-16	Communication of critical concerns	120
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	2-3	Reporting period, frequency, and contact point	2		2-18	Evaluation of the performance of the highest governance body	122
	2-4	Restatements of information	137		2-19	Remuneration policies	122
	2-5	External assurance	2		2-20	Process to determine remuneration	122
Activities and workers	2-6	Activities, value chain, and other business relationships	7-14		2-21	Annual total compensation ratio	122
	2-7	Employees	144, 156	Strategy, policies and practices	2-22	Statement on sustainable development strategy	6
	2-8	Workers who are not employees	144, 156		2-23	Policy commitments	182
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	2-10	Nomination and selection of the highest governance body	117, 121		2-25	Processes to remediate negative impacts	41, 52, 94, 109, 112, 149
	2-11	Chair of the highest governance body	117		2-26	Mechanisms for seeking advice and raising concerns	41, 52, 109
	2-12	Role of the highest governance body in overseeing the management of impacts	120		2-27	Compliance with laws and regulations	141, 151
	2-13	Delegation of responsibility for managing impacts	120		2-28	Membership associations	180
	2-14	Role of the highest governance body in sustainability reporting	121	Stakeholder engagement	2-29	Approach to stakeholder engagement	26-27
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GRI Standards 2021 Index

Topic Specific Standards

[Material Topic Standards]

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GRI 3: Material Topics 2021	3-1	Process to determine material topics	22
	3-2	List of material topics	23

Material Topic 1. Occupational Safety and Health

Category	No.	Disclosure	Page
GRI 3: Material Topics 2021	3-3	Management of material topics	24
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GRI 403: Occupational Health and Safety 2018	403-3	Occupational health services	37-42
	403-4	Worker participation, consultation, and communication on occupational health and safety	37-42
	403-5	Worker training on occupational health and safety	37-42
	403-6	Promotion of worker health	101-102
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	42
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Material Topic 2. Quality Management

Category	No.	Disclosure	Page
GRI 3: Material Topics 2021	3-3	Management of material topics	24

Material Topic 3. Climate Change

Category	No.	Disclosure	Page
GRI 3: Material Topics 2021	3-3	Management of material topics	24
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	58-79
	302-1	Energy consumption within the organization	76, 140
GRI 302: Energy 2016	302-3	Energy intensity	76, 140
	302-4	Reduction of energy consumption	140
	305-1	Direct (Scope 1) GHG emissions	75, 139
GRI 305: Emissions 2016	305-2	Energy indirect (Scope 2) GHG emissions	75, 139
	305-3	Other indirect (Scope 3) GHG emissions	75, 139
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	305-5	Reduction of GHG emissions	140

GRI Standards 2021 Index

Topic Specific Standards

[Non-Material Topic Standards]

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GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	148
	203-2	Significant indirect economic impacts	113-115
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	129-130
	205-3	Confirmed incidents of corruption and actions taken	131, 151
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	131
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GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	90
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	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	97-104
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	404-2	Programs for upgrading employee skills and transition assistance programs	97-100
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GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	144, 150
	405-2	Ratio of basic salary and remuneration women to men	144, 146
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	151
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	95
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	95
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	94-95
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	141
	414-2	Negative social impacts in the supply chain and actions taken	141
GRI 415: Public Policy 2016	415-1	Political contributions	151
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	135

TCFD Index

Category		TCFD Recommendations	Page
Governance	a.	Describe the board's oversight of climate-related risks and opportunities	56-57
	b.	Describe management's role in assessing and managing climate-related risks and opportunities	56-57
Strategy	a.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	57-74
	b.	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	57-74
	c.	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	66-74
Risk Management	a.	Describe the organization's processes for identifying and assessing climate-related risks	74-75
	b.	Describe the organization's processes for managing climate-related risks	74-75
	c.	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	74-75
Metrics and Targets	a.	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	59, 75-79
	b.	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	75
	c.	Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against targets	79

SASB Index

Topic	Code	Metric	Description
Environmental Impacts of Project Development	IF-EN-160a.1	Number of incidents of non-compliance with environmental permits, standards and regulations	As of 2025, there have been no confirmed violations of environmental laws and regulations resulting in a finalized administrative disposition against the Company.
	IF-EN-160a.2	Discussion of processes to assess and manage environmental risks associated with project design, siting and construction	To minimize the negative environmental impact throughout the entire project lifecycle, we conduct continuous monitoring, including ISO 14001-based environmental impact assessments, to identify potential impacts on the surrounding environment prior to project commencement. Additionally, we implement rigorous on-site environmental management through environmental management training and emergency drills. In 2025, we conducted site evaluations at 88 project sites and provided support for the initial setup of 21 newly established project sites.
Structural Integrity & Safety	IF-EN-250a.1	Amount of defect- and safety-related rework costs	In 2025, the total cost of defect repair liabilities was 1.1187 trillion won (based on the utilization and reversal of the provision for defect repair liabilities on a consolidated basis), and this information is transparently disclosed in Hyundai E&C’s 75th Annual Report.
	IF-EN-250a.2	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	In 2025, there were 18 legal proceedings related to safety incidents and 11 legal proceedings related to defects during the reporting period. The total monetary losses resulting from these legal proceedings amounted to approximately 17.7 billion won.
Workforce Health & Safety	IF-EN-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Safety management indicators are disclosed in detail through the occupational safety and health metrics (p. 43) and the sustainable management metrics and targets (p. 19) sections of this report.
Lifecycle Impacts of Buildings & Infrastructure	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) In 2025, a total of 22 projects acquired new certifications for Green Building or LEED (22 Green Building Certifications and no dual certification with LEED). (2) A total of 57 projects are in progress for Green Building or LEED certification (55 Green Building Certifications and 2 LEED Certifications).
	IF-EN-410a.2	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	To improve energy efficiency, we apply and operate high-performance insulation, high-efficiency lighting (LED), and solar power generation facilities during building design. Additionally, we strive to reduce water consumption by utilizing high-efficiency water-spraying equipment for dust suppression, and we have established a water reuse manual to enhance water usage management on-site.
Climate Impacts of Business Mix	IF-EN-410b.1	Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	(1) In 2025, 14 hydrocarbon-related projects (1 domestic, 13 overseas), representing an order backlog of 4.6512 trillion won (2) In 2025, 3 renewable energy-related projects (2 domestic, 1 overseas), representing an order backlog of 8.9 billion won
	IF-EN-410b.2	Amount of backlog cancellations associated with hydrocarbon-related projects	In 2025, there are no canceled projects in this category.
	IF-EN-410b.3	Amount of backlog for non-energy projects associated with climate change mitigation	In 2025, the order backlog for non-energy projects related to climate change mitigation is 3.1599 trillion won.
Business Ethics	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	In 2025, the Company had five projects located in countries ranked among the bottom 20 in Transparency International’s Corruption Perceptions Index (CPI). (4 in Libya, 1 in Myanmar; total order backlog: KRW 760.1 billion)
	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	In 2025, the Company has had a corporate fine (KRW 50 million) finalized due to a violation of the “Act on the Improvement of Urban Areas and Residential Environments” during the contractor selection process for the Banpo Jugong Apartment Unit 1 Reconstruction Project.
	IF-EN-510a.3	Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behaviour in the project bidding processes	To ensure the effective operation of the Ethics & Compliance Management system, which is based on the “Ethics Charter and Code of Conduct” revised in 2020 as the top-level standard, we have established detailed compliance regulations for each of the five principles. As part of efforts to strengthen our compliance system, in 2021 we revised the Anti-Corruption Compliance Policy and the Business Partner Due Diligence Regulations, and established new internal regulations in five areas: Whistleblowing Policy and Procedure, Competition Compliance Policy, Anti-money Laundering and Counter-terrorism Financing Policy, Prohibition of Slavery and Human Trafficking, and Sanctions Compliance Policy. Furthermore, we are leading the way in fostering an anti-corruption management culture through the operation of an ISO 37001-certified Anti-Bribery Management System
Activity Metrics	IF-EN-000.A	Number of active projects	As of year-end 2025, 126 domestic and 53 overseas project sites were under construction.
	IF-EN-000.B	Number of commissioned projects	In 2025, 40 domestic and 5 overseas project sites were completed. (Based on the issuance of completion certificates and Taking-Over Certificates)
	IF-EN-000.C	Total backlog	As of 2025, the total order backlog stands at 95.0386 trillion won (on a consolidated basis), comprising 74.3293 trillion won in domestic orders and 20.7093 trillion won in overseas orders.

WEF Index

1. Principles of Governance

Category	Report Content	Page
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Stakeholder engagement	Material issues impacting stakeholders	23–25
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2. Planet

Category	Reported Content	Page
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Climate change	TCFD implementation	56–79
	Greenhouse gas(GHG) emissions	75
Nature loss	Land use and ecological sensitivity	88–89
Freshwater availability	Water consumption and withdrawal in water–stressed areas	86

3. People

Category	Report Content	Page
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	Pay Equality	146
	Wage level	122
	Risk for Incidents of Child, Forced, or Compulsory Labor	N/A
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4. Prosperity

Category	Report Content	Page
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	Economic Contribution	150
	Financial Investment Contribution	Annual report
Innovation of better products and services	Total R&D Expenses(\$)	151
Community and social vitality	Total Tax Paid	138, Annual report



UNITED NATIONS GLOBAL COMPACT Ten Principles

Hyundai E&C actively supports the principles of the United Nations Global Compact (UNGC) and actively participates in UNGC activities. Furthermore, the Company is committed to upholding the Ten Principles through its policies and business activities.

Topic	Code	Principles	Reporting Location and Description
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights, and	- As a member of the UN Global Compact, Hyundai E&C supports the “UN Guiding Principles on Business and Human Rights” and conducts its human rights management activities in accordance with these principles. - In 2023, Hyundai E&C comprehensively revised its Human Rights Charter to express its commitment to protecting the human rights of all stakeholders, including employees, suppliers, and local communities. - In August 2022, Hyundai E&C established the “Diversity and Inclusion Policy” to foster an organizational culture where diverse talents can think creatively and embrace challenges.
	Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	
Labour	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,	- Hyundai E&C fosters constructive labor–management relations through cooperation and dialogue by operating a Labor–Management Council and holding regular meetings to discuss and make decisions on matters related to working conditions. - Hyundai E&C prohibits all forms of forced labor and child labor and does not tolerate discrimination based on gender, age, race, disability, or any other characteristic.
	Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	
	Principle 5	Businesses should uphold the effective abolition of child labor.	
	Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges,	Under its eco–friendly management vision of “Global Green One Pioneer,” Hyundai E&C responds to global environmental trends and regulatory developments by establishing and continuously improving environmental management policies that apply across its business operations, including distribution and logistics, due diligence, M&A, and other key business partnerships, in order to respond to evolving global environmental trends and regulations. Additionally, through the company–wide distribution of the Environmental Operations Guide Map in March 2023, Hyundai E&C standardized environmental management documentation and incorporated newly enacted and revised environmental regulations.
	Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	
	Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	
Anti–Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	- Hyundai E&C revised its Anti–Corruption Compliance Regulations in 2021 and has conducted compliance due diligence on business partners since January 2022, building stakeholder trust through Ethics & Compliance Management as a responsible corporate citizen. - Hyundai E&C conducts an annual “Ethical Management Pledge” campaign for all employees and provides ethics and compliance training by department, business unit, and position each year. The training covers domestic and international anti–corruption laws, as well as the company’s Anti–Bribery Management System and related policies. - Hyundai E&C operates a Cyber Audit Office to receive consultations and reports regarding violations of ethical management, including corruption–related issues, and handles all reported matters in accordance with internal procedures while adhering to the principle of whistleblower protection.

Greenhouse Gas Verification Statement



Scope 1 and 2 greenhouse gas emissions from domestic sites of Hyundai E&C in 2025

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 2025(the report) against “the guidelines for target management” using “the verification guidelines for GHG emissions trading system”. The report relates to direct GHG emissions and energy indirect GHG emissions.

Management Responsibility

LRQA’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 guidelines for GHG emissions trading system” to reasonable level of assurance.

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 regarding 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 2025.

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 2025
Direct GHG Emissions	15,859,368
Energy Indirect GHG Emissions	72,813,330
Total GHG Emissions	88,670

※ There is a difference between greenhouse gas emissions, total emissions, and the sum of workplace emissions (emissions rounded down at the workplace level are summed at the company level)

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IL-HYOUNG LEE

LRQA
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LRQA Reference: SEO6051437

Dated: 30. May 2026

Greenhouse Gas Verification Statement



Scope 1,2 and 3 greenhouse gas emissions from overseas sites of Hyundai E&C in 2025

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 2025 (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 respects:

- Met the requirements above; and
- Disclosed accurate and reliable data and information as summarized in Table 1 below.

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 2025.

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

LRQA Lead Verifier

On behalf of LRQA

2nd Floor, T Tower, 30, Sowol-ro 2-gil, Jung-gu, Seoul, Republic of Korea

LRQA reference: SEO6051437

Dated: 12 May 2026

▲ Table 1. Summary of Hyundai Engineering & Construction Co., Ltd., GHG Emissions Inventory 2025

Scope of GHG emissions	tCO ₂ -eq
Direct GHG emissions (Scope 1) – overseas construction sites	96,154
Energy indirect GHG emissions (Scope 2, Location-based) – overseas construction sites	44,000
Energy indirect GHG emissions (Scope 2, Market-based) – overseas construction sites	43,674
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	2,303,931
• capital goods – production of electronic devices and home appliances purchased in domestic and overseas sites	266
• fuel and energy related activities – upstream emissions of fuel and electricity purchased in domestic and overseas sites	40,798
• upstream transportation and distribution – transportation of ready-mix concrete in domestic sites and construction materials purchased in overseas sites	41,981
• waste generated in operations – treatment of waste generated from domestic operations	24
• business travel – personal cars and trains in domestic travel, and international flights	3,730
• employee commuting – commuting to the headquarters by personal cars and buses	483
• use of sold products – use phase of residential, industrial, commercial and other service buildings and facilities constructed in domestic and overseas sites	2,972,031
• 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	581,473
• investments – Scope 1 and Scope 2 emissions of 23 companies in which Hyundai Engineering & Construction has shares	40,200
Note 1: Scope 2, Location based and Market based are defined in the GHG Protocol Scope 2 Guidance, 2015	

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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: The Stakeholders of Hyundai Engineering & Construction Co., Ltd.

Overview

The British Standards Institution (hereinafter referred to as the “Assurer”) was requested to verify the 2026 Hyundai Engineering & Construction Sustainability Report (hereinafter referred to as the “Report”). The Assurer is independent to Hyundai Engineering & Construction and has no major operational financial interest other than the assurance of the Report. This assurance opinion statement is intended to provide information related to the assurance of the Hyundai Engineering & Construction’ report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any other purpose. This assurance opinion statement is prepared based on the information presented by the Hyundai Engineering & Construction. The verification does not extend beyond such information and is solely based on it. In performing such verification, the Assurer has assumed that all such information is complete and accurate.

Hyundai Engineering & Construction is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the Report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Hyundai Engineering & Construction only.

The Assurer is responsible for providing Hyundai Engineering & Construction’ management team with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of Hyundai Engineering & Construction. The Assurer will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person or party by whom the independent assurance opinion statement may be read.

Scope

The scope of engagement agreed upon with Hyundai Engineering & Construction includes the following:

- Report contents during the period from January 1st to December 31st 2025 included in the Report, some data of 2026 are included.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- Confirmation of the Report's compliance with the AA1000 AccountAbility Four Principles and, where applicable, the reliability of the sustainability performance information contained within the Report, based on the type of sustainability assurance performed in accordance with AA1000 AS v3.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

Assurance Level and Type

The assurance level and type are as follows;

- Moderate level based on AA1000 AS and Type 2 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 and quality and reliability of specific performance information published in the report.)

Description and Sources of Disclosures Covered

Based on the scope and methodology of assurance applied, the Assurer reviewed the following disclosures based on the sampling of information and data provided by Hyundai Engineering & Construction.

[Universal Standards]

2-1 to 2-5 (The organization and its reporting practices), 2-6 to 2-8 (Activities and workers), 2-9 to 2-21 (Governance), 2-22 to 2-28 (Strategy, policies and practices), 2-29 to 2-30 (Stakeholder engagement), 3-1 to 3-3 (Material Topics Disclosures)

[Topic Standards]

101-1,2,4,5&7, 201-1&2, 203-1&2, 205-2&3, 206-1, 301-1~3, 302-1,3&4, 303-1~5, 305-1~5, 306-2~5, 308-2, 401-1~3, 403-1~10, 404-1~3, 405-1&2, 406-1, 408-1, 409-1, 411-1, 414-1&2, 415-1, 418-1

Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- Validation of the materiality assessment and internal analytical process for determining assurance priorities, and a top-level review of issues that may be raised by external stakeholders in the context of sustainability.
- Discussion with managers and representatives on stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Verification of the sustainability strategy implementation process and supporting systems, including the generation, collection, and reporting of data across performance areas, as well as confirmation of the evidence supporting claims presented in the report
- Assessment of Hyundai Engineering & Construction’ reporting and management processes against the four principles of Inclusivity, Materiality, Responsiveness, and

Impact as defined in the AA1000 Accountability Principles Standard (2018)

- On-site visit to Hyundai Engineering & Construction’ headquarters to confirm the effectiveness of data collection processes, internal control procedures, and management practices

Limitations and Approach Used to Mitigate Limitations

The Assurer performed limited verification for a limited period based on the data provided by Hyundai Engineering & Construction. It implies that the Assurer is therefore subject to limitations relating to inherent risks that may exist without the identification of material errors. The Assurer does not provide assurance on possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

British Standards Institution (BSI) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with over 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with Hyundai Engineering & Construction. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

Opinion Statement

The assurance was conducted by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. The Assurer planned and performed the verification and collected sufficient evidence to explain Hyundai Engineering & Construction’ approach to the AA1000 Assurance Standard and to provide confidence in its self-declaration of compliance with the GRI Standards.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). A detailed review against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards is set out as below.

Third-party Assurance Statement

Inclusivity: Stakeholder Engagement and Opinion

Hyundai Engineering & Construction has identified employees, customers, partners, local communities/NGOs, government/ media/associations, shareholders and investors, as well as ESG experts and academia as its key stakeholders. The company operates diverse communication channels and sets engagement cycles tailored to each stakeholder group. Through its stakeholder engagement process, Hyundai E&C gathers expectations and opinions from core stakeholder groups, integrates the resulting key issues into sustainability-related decision-making, and the relevant process is disclosed through the report.

Materiality: Identification and reporting of material sustainability topics

Hyundai Engineering & Construction has established a Double Materiality Assessment process to identify issues that affect both sustainable management and business operations. In developing its issue pool, the company considers its sustainability strategy, ESG disclosure standards and evaluation indicators, media analysis, industry benchmarking, and legal/regulatory reviews. From this pool, the top 10 topics are assessed for both social and environmental impact (Impact Materiality) and financial impact (Financial Materiality). Through this double materiality assessment, three core material issues are selected and linked to the company-wide risk management strategy. Hyundai E&C operates a management framework designed to minimize potential negative impacts and maximize positive outcomes in its business activities, and transparently discloses the results of this process in its reports.

Responsiveness: Responding to material sustainability topics and related impacts

Hyundai Engineering & Construction reports on the core material issues identified through its Double Materiality Assessment via the “Material Issue Management Status.” This disclosure covers business cases, business impacts, response strategies, targets and achievements, as well as management KPIs related to each core material issue. The company transparently publishes the performance outcomes associated with these key material issues in its reports.

Impact: Impact of an organization’s activities and material sustainability topics on the organization and stakeholders

Hyundai Engineering & Construction has established a process to identify and assess the impacts of key material issues on the organization and its stakeholders. The analyses of impacts, risks, and opportunities related to these key material issues are utilized in decision-making for developing response strategies for each issue. This process is disclosed through the company’s reports.

Findings and Conclusions Concerning the Reliability and Quality of Specified Performance Information

Among the GRI Topic Standards, assurance Type 2 was conducted on the disclosures related to energy consumption, waste treatment, and water usage at Hyundai Engineering & Construction’s domestic business sites, as well as supplier selection and evaluation, gender pay indicators including equal remuneration, number of fatalities, and lost-time injury rate. The assurance was based on the information and

data provided by the reporting organization. To verify the reliability and accuracy of the information, interviews were conducted with the responsible departments to review internal control procedures related to data processing, validation, and management. Sampling was applied to confirm data accuracy. Through these procedures, no errors or intentional misstatements were identified in the sustainability performance information disclosed in the report.

The reporting organization manages sustainability performance information through reliable internal control procedures, and the sources and derivation processes of the reported results can be traced. Any errors or unclear expressions identified during the assurance process were corrected prior to the publication of the report, and the assurance provider confirmed the final published report reflecting these corrections.

- GRI Topic Standards: 201-1&2, 205-2&3, 206-1, 302-1, 303-3~5, 305-1~5, 306-2~5, 308-1&2, 401-1&3, 403-1~10, 405-1, 414-1&2

Recommendations and Opportunity for Improvement

The Assurer provides the following observations to the extent that they do not affect the assurance opinion;

- Hyundai Engineering & Construction has introduced a five-step board performance evaluation system, which includes both self-assessment and independent third-party evaluation, in order to strengthen board independence and enhance the objectivity of decision-making. This initiative is considered a positive factor in improving the credibility of corporate governance. Going forward, it will be important to further reinforce transparency in governance practices and stakeholder trust by disclosing, in greater detail, the key improvement areas identified through board performance evaluations, the corresponding follow-up actions, future tasks, and the status of their implementation.
- Hyundai Engineering & Construction is expanding its disclosure of non-financial information, including that of major subsidiaries, in alignment with global reporting standards such as IFRS and ESRS. This initiative is positively assessed from the perspective of responding to global regulatory requirements. However, to further enhance data consistency across subsidiaries, it is necessary to standardize calculation criteria and data collection methodologies, supported by a systematic framework. In addition, by establishing an internal control system that ensures the accuracy and completeness of consolidated non-financial data, the company can further strengthen the reliability of ESG data governance.

GRI-Reporting

Hyundai Engineering & Construction has self-declared compliance with GRI Standards. Based on the data and information provided by Hyundai Engineering & Construction, the Assurer confirmed that the Report is prepared in accordance with the GRI Standards, and confirmed there are no errors in the disclosures related to the Universal Standards and Topic Standards Indicators. No sector standard is applied.

Issue Date: 14/06/2026
For and on behalf of British Standards Institution (BSI):

BSI representative



Sangwoo Nam,
Lead Assurer(LCSAP)

Sustainability Framework and
KPIs related to Governance,
Environmental and Social/People



Seonghwan Lim,
Managing Director of BSI Korea

BSI Group Korea Limited: 29, Insa-dong 5-gil, Jongno-gu, Seoul, South Korea
Hold Statement Number: SRA 845799

Membership in Associations

Hyundai E&C has a management system in place for public policy engagement and trade association memberships. Under this system, the company monitors all trade associations, industry initiatives, and other associations of which it is a member or to which it provides support, and continuously reviews their climate policy positions and activities to assess whether they are aligned with the Paris Agreement. This reviewing and monitoring process applies across all countries and regions in which Hyundai E&C operates, including domestic business sites and all overseas subsidiaries.

If a material misalignment with the Paris Agreement is identified, the matter is reported to management, and Hyundai E&C applies a clear framework for addressing misalignments between the climate change policy positions of trade associations and its own Paris Agreement-aligned climate position. Appropriate measures may include raising concerns with the relevant association, withdrawing support, reconsidering membership, or withdrawing from the non-compliant association. As of December 2025, the associations of which Hyundai E&C is a member or to which it provides support are as follows, and no association was identified as having materially violated or been materially misaligned with the Paris Agreement during the reporting period.

Memberships in Associations as of 2025

Construction Association of Korea	Korea Nuclear Society	Korean Institute of Fire Science & Engineering	Construction Industry KOSHA 18001 Council
International Contractors Association of Korea (ICAK)	The Korea Railway Industry Association	Korea PropTech Forum	Korea Environment Construction Association (KECA)
The Federation of Korean Industries (FKI)	The Society of Air-Conditioning and Refrigerating Engineers of Korea (SAREK)	Advanced Nuclear Reactor Research Association of Korea (ANRAK)	The Korean Institute of Landscape Architecture (KILA)
The Seoul Chamber of Commerce and Industry	Korea Fair Competition Federation (KFCF)	Korean Institute of Construction Safety (KICS)	The Korean Institute of Illuminating and Electrical Installation Engineers
Korea Federation of Construction Contractors (KFCC)	The Korean Society of Airport (KOSAP)	Korea Military Suppliers Association	Korean Geothermal Energy Society
Korea Enterprises Federation (KEF)	Korea Association for Fusion Energy and Accelerator Technology (KAFAT)	Korea Road Association (KROAD)	Korea Mech. Const. Contractors Association, Seoul Metropolitan Chapter
Korea Plant Industries Association (KOPIA)	Korea Wind Energy Industry Association	Korean Radioactive Waste Society	Korea Association of Construction Engineering & Management (KACEM)
Korea Atomic Industrial Forum (KAIF)	Korea Ports & Harbours Association	Korea Developer Association (KODA)	Construction Health Council
Korea Housing Association(KHA)	Korea Industrial Technology Association (Koita)	The Korean Institute of Electrical Engineers (KIEE)	Construction Equipment Safety Council
Korea Electrical Contractors Association (KECA)	Korea Advertisers Association (KAA)	Korea Association for Construction Quality (KACQ)	The Korean Institute of Electrical and Electronic Material Engineers
Korea Nuclear Association for International Cooperation (KNA)	Korea Engineering and Consulting Association (KENCA)	Korean Geotechnical Society	Korean Institute of Information & Telecommunication Facilities Engineering
UN Global Compact Network Korea	Construction Vision Forum (CVF)	KOREA IR SERVICE (KIRS)	HanPaek Economic Cooperation Forum (HPF)
Korea Information and Communications Contractors Association (KICA)	buildingSMART KOREA	Korea Building Materials Association	Korea Aggregates Association (AAK)
Korean Fire Protection Association (KFPA)	Korea Association of Construction and Transportation New Technologies (KCNA)	Korea Electrical Engineers Association (KEEA)	Korean Concrete Institute (KCI)
Korea Listed Companies Association	Korean National Committee on Large Dams (KNCLD)	Korean Tunnelling and Underground Space Association	
Korea Exchange Co., Ltd. (KRX)	Korea Remodeling Association (KRA)	Construction Safety Manager Committee	

Management System for Association Activities¹⁾

Hyundai E&C supports the goals of the Paris Agreement and publicly states its position on climate change-related public policies in alignment with the Paris Agreement. The company also participates in science-based greenhouse gas reduction policy initiatives. To ensure transparency and accountability, membership fees for climate-related associations are managed in accordance with Hyundai E&C’s internal association management policies.

Hyundai E&C has established a governance framework for public policy engagement with clear accountabilities up to the senior executive level. The company participates in key decision-making and policy activities of climate-related trade associations, industry associations, and organizations, and continuously reviews whether such activities are aligned with the objectives of the Paris Agreement. Hyundai E&C also engages in technical exchanges with local companies in overseas markets and jointly implements community contribution programs with relevant industry associations and organizations. Activities that are not aligned with the objectives of the Paris Agreement are subject to continuous monitoring, and concerns are raised where appropriate. Hyundai E&C also reports on the climate policy positions and activities of its trade associations, where relevant.

1) Association activities are managed not only at domestic business sites but also across all jurisdictions where Hyundai E&C operates, including all overseas subsidiaries, based on a management system with clear accountabilities up to the senior executive level.

Report Preparation

Organization of the Sustainability Steering Committee

Category	Department Name
IR Group	Sustainability Team
	IR Team
Security Management Group	Security Response Team
Infrastructure Planning Group	Infrastructure Management & Admin Team
Building & Housing Works Planning Group	Building & Housing Works Management & Admin Team
Plant Planning Group	Plant Management & Admin Team
NewEnergy Planning Group	NewEnergy Planning Team
Safety Planning Group	Safety Planning Team
Safety Execution Support Group	Environmental Management Team
Quality Management Group	Quality Planning Team
New-Biz Development & Investment Group	New-Biz Strategy Planning Team
Global Marketing Support Group	Global Strategy & Planning Team
R&D Planning Group	R&D Strategy Team
PI Strategy Group	PI Cooperation & Risk Management Team
Legal Affairs Group	Compliance Team
Public Relations Group	PR Planning Team
Business Support Group	Administration Team
HR Management Group	Talent Growth Team
Business Planning Group	Strategy Intelligence Team
Work Innovation Center	Culture Design Lab
Auditing Group	Auditing Strategy & Planning Team

Hyundai E&C Consolidated Organization of the Sustainability Steering Committee

Category	Department Name
Hyundai Engineering	Sustainability Management Team
Hyundai Engineering & Steel Industries	Finance & Accounting Planning Team
Hyundai City Corporation	Management Support Team
Songdo Landmark City	Financial Management Team
Hyundai Farm Land & Development	Business Management Team
Hyundai Eco Energy	Administration Team

ESG Policies and Standards

Click on Policies and Standards to view more details.

Environmental	Social	Governance
Environmental Management Policy →	Safety & Health Management Policy →	Corporate Governance Charter →
Biodiversity Protection Policy →	Ethics Charter & Code of Conduct →	Corporate Governance Report →
Deforestation Prevention Policy →	Human Rights Charter →	Regulations of the Board of Directors →
Declaration on Coal Exit →	Diversity & Inclusion Policy →	HDEC Regulations for Fair Trade Compliance Program (CP) →
	Anti-Slavery and Human Trafficking Policy →	Competition Compliance Policy →
	Fair Compensation Policy →	Whistleblowing Policy and Procedure →
	Supplier Code of Conduct →	Anti-trust Policy →
	Supply Chain ESG Management Policy →	Anti-corruption Compliance Policy →
	Community Policy →	Anti-money Laundering & Counter-terrorism Financing (AML/CTF) Policy →
		Sanctions Compliance Policy →
		Personal Data Processing Policy / Legal Disclaimer →

Glossary

The definitions provided on this page were developed with reference to various international and domestic standards and official documents, including the UN Global Compact (UNGC), the GHG Protocol, the Global Reporting Initiative (GRI), and the Ministry of Environment’s Operational Guidelines for the Greenhouse Gas Emission Trading System.

Sustainable Management	Management activities in which a company pursues long-term corporate value alongside the environmental and societal sustainability as a whole
ESG (Environment, Social, Governance)	Key factors for evaluating a company’s sustainability and non-financial value
Double Materiality Assessment	A process of simultaneously assessing the significance of sustainability issues from two perspectives: ① the impact on a company’s financial performance and ② the impact the company has on the environment and society
Lost Time Injury Frequency Rate(LTIFR)	The number of lost-time injuries requiring at least one day away from work per million hours worked
Occupational Illness Frequency Rate(OIFR)	The number of occupational illnesses per million hours worked
Accident Fatality Rate	An industrial safety indicator representing the number of worker fatalities due to industrial accidents, expressed as a rate per 10,000 workers
Total Recordable Injury Rate(TRIR)	The number of total recordable injuries and illnesses per 200,000 hours worked (Total Recordable Incident Rate)
Climate Mitigation	Efforts to fundamentally reduce the causes of climate change by reducing or absorbing (removing) greenhouse gas (GHG) emissions
Climate Adaptation	Efforts to adjust social, economic, and environmental systems so that they can minimize damage and adapt to climate change that is already occurring or will occur in the future
Carbon Emissions / Greenhouse Gas Emissions	The amount of carbon dioxide (CO ₂) or other greenhouse gases (GHG) released into the atmosphere as a result of human activities (e.g., energy use, industrial processes, transportation, etc.) ※ Emissions of greenhouse gases (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride) are expressed as carbon dioxide equivalents (CO ₂ e), converted to the equivalent of carbon dioxide, the primary greenhouse gas
Carbon Neutrality	Achieving a “net zero” status by offsetting the total amount of greenhouse gases emitted through human activities against the amount absorbed or removed
NDC (Nationally Determined Contributions)	Greenhouse gas reduction targets voluntarily set by each country under the Paris Agreement
Physical risk	Risks that may result in direct damage due to the impact of climate events (such as typhoons, floods, torrential rains, and droughts), geological events, or changes in the ecological balance
Transition risk	Risks arising from misalignment between an organization’s or investor’s strategies and management and the changing regulatory, policy, or social environment
Scope 1 greenhouse gas emissions	Greenhouse gases emitted directly from facilities owned or operated by a company
Scope 2 greenhouse gas emissions	Indirect greenhouse gas emissions associated with the purchase and consumption of electricity, steam, heat, or cooling.
Scope 3 greenhouse gas emissions	All indirect greenhouse gas emissions occurring throughout the value chain, including both upstream and downstream emissions
BAU(Business As Usual)	Greenhouse gas emissions projected if current trends continue without additional policy changes or mitigation measures
LCA(Life Cycle Assessment)	A method for quantitatively analyzing the environmental impact of a product throughout its entire life cycle, from raw material extraction to manufacturing, distribution, use, and disposal
Carbon Intensity	The amount of greenhouse gas emissions (CO ₂ -eq) per unit of activity (e.g., revenue, production volume, energy consumption) generated during a company’s production and operations
IEA (International Energy Agency)	The International Energy Agency (IEA), an autonomous intergovernmental organization established within the framework of the Organisation for Economic Co-operation and Development (OECD).
Natural capital	Natural assets (such as soil, water, air, biodiversity, and ecosystem services) that provide value, directly or indirectly, to human economic activities
Water stress	A condition in which demand for freshwater exceeds the available supply in the regions where a company operates. A higher value indicates greater competition for available freshwater resources
Green Purchasing	The practice of prioritizing and purchasing environmentally friendly and resource-efficient products and services by considering their environmental impact when making purchasing decisions

Sustainable products and services	Products or services designed to have a positive environmental and social impact, in accordance with the EU Taxonomy and K-Taxonomy standards
Supply Chain	All activities and processes carried out by companies with which an organization has direct business relationships and that provide products or services used in the development of the organization’s own products and services.
Affected Communities	People or groups living or working in areas that have been or may be impacted by a company’s business activities
IPCC(Intergovernmental Panel on Climate Change)	Intergovernmental Panel on Climate Change
Emissions Trading System	A market-based greenhouse gas reduction system in which a country or government sets a total allowable limit (cap) on greenhouse gas emissions, allocates allowances to companies (or emitters) either for free or for a fee, and allows companies to buy and sell emission allowances among themselves
Paid Allocation	An allocation system in which companies subject to the emissions trading scheme must purchase a certain percentage of their total emission allowances through auctions or other means at a cost
Free Allocation	A system in which the government distributes emission allowances free of charge to companies subject to the emissions trading scheme based on specific criteria
Paris Agreement	A global agreement on Climate Change adopted at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change in 2015
Internal Carbon Pricing	A system in which companies voluntarily set an internal “carbon cost (price)” for their own carbon emissions and use it as a reference when evaluating the value of business projects or making investment decisions
SBTi(Science-Based Targets Initiative)	Science-Based Targets Initiative
RE100	A global voluntary initiative to transition 100% of corporate electricity to renewable energy
EAC(Energy Attribute Certificate)	A certificate verifying the production of 1 MWh of renewable energy
Resource Circulation	The transition from a linear model of resource production, consumption, and disposal to a circular model in which resources are reused through activities such as reuse and recycling.
D&I(Diversity & Inclusion)	A management and organizational culture strategy aimed at respecting diversity and realizing inclusion within an organization
IFRS S1, S2	International sustainability disclosure standards established by the International Sustainability Standards Board (ISSB) under the IFRS Foundation, consisting of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.
KSSB(Korea Sustainability Standards Board)	Korea Sustainability Standards Board (the body responsible for establishing Korea’s sustainability disclosure standards)
ESRS(European Sustainability Reporting Standards)	European Sustainability Reporting Standards
Taxonomy	A system for defining and classifying 'sustainable economic activities'
GRI(Global Reporting Initiative)	Global sustainability reporting initiative
SASB(Sustainability Accounting Standards Board)	An organization that identifies financially material ESG topics by industry and provides industry-specific reporting standards.
TCFD(Task Force on Climate-related Financial Disclosure)	Climate-related financial disclosure task force
TNFD(Task Force on Nature-related Financial Disclosure)	Nature-related financial disclosure task force
UN SDGs (UN Sustainable Development Goals)	The 17 global Sustainable Development Goals adopted by the UN General Assembly in 2015 to be achieved by 2030
UNGC(UN Global Compact)	A global initiative in which companies voluntarily commit to supporting and implementing the UN’s 10 principles across four key areas: human rights, labor, the environment, and anti-corruption
WEF Stakeholder Capitalism Metrics	Global standards developed by the World Economic Forum (WEF) to enable companies to consistently measure and disclose non-financial performance from a stakeholder capitalism perspective



For more detailed information regarding this report, please contact the following.

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