

Q6.7	Environmental Management			
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환경경영 정책

(Environmental Management)

2025.5

<Environmental Management Policy>

1. We recognize the environment as a core factor for corporate success, and we proactively create business value and fulfill our social responsibility through active environmental management.
2. We set achievable goals to combat climate change and evaluate our performance against them.
3. We actively work to ensure the sustainable use of resources and energy and to reduce pollutants throughout the entire lifecycle of our products, from development and production to sales, use, and disposal.
4. We comply with domestic and international environmental laws and agreements, establish and implement the necessary policies to promote environmental management.
5. We are committed to protecting biodiversity and preserving natural environments, including forests.
6. We publicly disclose our environmental management performance to stakeholders based on reasonable and objective standards.

1. Overview

1.1 Purpose of Establishment

Hanwha Advanced Materials establishes and effectively operates a systematic environmental management system based on ISO 14001. The company endeavors to create an eco-friendly workplace by periodically evaluating and improving the effectiveness of the system through third-party verification and internal audits.

1.2 Scope of Application

This environmental management policy applies to environmental management across all business sites of Hanwha Advanced Materials. Hanwha Advanced Materials encourages all partner companies and

stakeholders to comply with this environmental policy for the purpose of promoting environmental management.

Hanwha Advanced Materials gives priority to compliance with environmental laws and regulations over this policy. In cases where such laws or regulations are not addressed or contain no specific provisions, environmental management tasks shall be carried out in accordance with this policy.

1.3 Implementation Measures

Environmental management at Hanwha Advanced Materials is conducted through compliance with environmental laws and regulations, the establishment and management of an environmental management system, monitoring of environmental performance, and identification and improvement of risks. Environmental indicators and targets are set and their implementation is reviewed. These are operated in connection with the environmental operation objectives of production and R&D departments.

2. Environmental Management Process

Hanwha Advanced Materials establishes and effectively operates a systematic environmental management system based on ISO 14001. The company endeavors to create an eco-friendly workplace by periodically evaluating and improving the effectiveness of the system through third-party verification and internal audits.

2.1 Management Procedures

The environmental management process for operating the environmental management system is as follows:

- 1) Air/Water Quality: Emissions of air pollutants such as nitrogen oxides (NO_x), sulfur oxides (SO_x), and total suspended particulates (TSP) are monitored and managed to remain below legal limits.
- 2) Waste: The types, discharge volumes, and recycling volumes of all waste generated at each site are managed through the establishment and revision of waste management procedures. Waste with high resource value (e.g., wood, defective products) is managed through a separate system, enabling systematic tracking from generation to collection, storage, and final disposal.
- 3) Chemical Substances: To comply with relevant regulations, a chemical management procedure has been established and implemented. The procedure applies across the entire supply chain to minimize the use of hazardous substances.
- 4) Greenhouse Gases: A system for measuring energy consumption and greenhouse gas emissions shall be established, and efforts shall be made to reduce greenhouse gas emissions.
- 5) Biodiversity and Forest Conservation: Facilities and equipment shall not be installed or operated in biodiversity protection zones. Risks related to biodiversity loss and deforestation in the vicinity of business sites shall be identified in advance, and a system to avoid or minimize such risks shall be established and operated.

2.2 Standard System

Hanwha Advanced Materials establishes applicable environmental manuals, procedures, guidelines and management standards for each detailed area of environmental management such as air, water resources, waste, chemical substances, greenhouse gases and energy, soil contamination, environmental impact assessments, and green purchasing. The company also enacts a safety, health, and environment (SHE) management manual to ensure compliance with environmental laws and regulations and to promote environmental improvement in business operations including production processes and R&D activities.

3. Promotion System

3.1 Governance, Stakeholder Engagement and Communication

Hanwha Advanced Materials defines internal and external issues that may impact the environment through its dedicated ESG organization, which leads system operation, policy development, risk identification, and improvement efforts. Communication and consultation with stakeholders are conducted in the event of major issues.

1) Internal Communication

- A. Sharing of environmental management policies and provision of environmental training to raise awareness among employees.
- B. Major issues and decisions related to the environment are shared with employees as necessary.
- C. Environmental goals and performance activities are disclosed via bulletin boards and internal systems.

2) External Communication

- A. Environmental management performance is shared with

government agencies; government policy directions are identified for proactive response.

- B. Environmental policies, achievements, and activity reports are posted on the company website at least once per year.
- C. Customer requirements for eco-friendly products and services are reflected in product development.
- D. Opinions from local governments and civic organizations are collected and reflected to mitigate local environmental impacts.

3.2 Environmental Indicators and Reduction Activities

Hanwha Advanced Materials operates an ISO-certified system and establishes environmental management indicators. Environmental impacts that occur based on relevant laws and regulations are monitored periodically. Strict internal standards for pollutant discharge are established and operated to minimize negative environmental impacts.

- 1) Air/Water Pollutants: In-house management standards stricter than legal limits are established. Optimal pollution control facilities are installed and operated to comply with integrated permit discharge standards. (Air: dust, NO_x, SO_x, HAPs / Water: BOD, TOC, SS, non-point pollutants)
- 2) Chemical Substances: The usage of chemical substances shall be monitored to block hazardous substance risks at the source, to transition to substitute materials, and to comply with hazardous substance management standards, thereby striving to reduce hazardous substances. (Handling of hazardous substances, chemical registration and evaluation, etc.)

- 3) Waste: The generation of waste shall be continuously reduced through the recycling of by-products from product manufacturing and the use of recycled materials, while minimizing the ratio of landfill/incinerated waste and improving the waste recycling rate. (General/special waste volume, incinerated/landfilled waste, recycling rate, etc.)
- 4) Greenhouse Gases: Greenhouse gas emissions and energy consumption shall be monitored, and efforts shall be made to reduce greenhouse gases through the transition to renewable energy by establishing renewable energy facilities and by establishing a Life Cycle Assessment (LCA) process for all manufactured products. (Scope 1 & 2 emissions management, third-party verification, etc.)
- 5) Soil Pollution: Soil pollution prevention facilities shall be installed and operated, and soil pollution inspections shall be conducted to ensure that pollutants are not leaked into the soil. (Facilities subject to soil regulation, soil remediation activities, etc.)
- 6) Biodiversity and Forest Conservation: Activities such as participation in environmental cleanups and removal of invasive species shall be conducted regularly to resolve local environmental issues and protect biodiversity. (Community environmental cleanup, etc.)

3.3 Education and Awareness

Training is provided to all employees to increase understanding of environmental impacts of business activities, climate change and environmental policies and standards.

3.4 Support and Inspection of Partner Companies

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To maintain sustainable partnerships, Hanwha Advanced Materials supports and inspects the environmental management activities of partner companies, considering their environmental management capabilities.

3.5 Performance Management

For environmental factors that may have significant impact due to business operations, Hanwha Advanced Materials establishes medium- and long-term performance goals. The company regularly reviews the effectiveness of activities, the implementation process, and identifies areas for improvement.

4. Supplementary Provisions

This Environmental Management Policy is established and enforced as of December 27, 2024.