

HD HYUNDAI OILBANK 2024 SUSTAINABILITY REPORT

About this Report

Interactive Guide

HD Hyundai Oilbank’s Sustainability Report is published as an interactive PDF, enabling users to navigate directly to relevant pages within the report.



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Reporting Principles

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, the global framework for sustainability reporting. To reflect key issues specific to the industry, the report content has been structured with reference to GRI 11: Oil and Gas Sector Standard (2021). It also includes disclosures of indicators required under the industry-specific standards of the Sustainability Accounting Standards Board (SASB) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Reporting Scope

This report has been prepared on a non-consolidated basis for HD Hyundai Oilbank. However, certain non-financial quantitative data include figures from HD Hyundai Oilbank’s major affiliates. Where the scope of data differs or corrections have been made, separate notes are provided to clarify the reasons.

Reporting Period

The reporting period covered by this report spans from January 1, 2024, to December 31, 2024 (fiscal year 2024). To reflect the timeliness and materiality of the information, certain key activities and achievements from the first half of 2025 have also been included. For quantitative data, figures from the past three years (2022 - 2024) are presented to support the analysis of trends over time.

Reporting Assurance

This report has undergone an assurance process conducted by BSI, a third-party assurance provider, in accordance with the AA1000 Assurance Standard (AA1000AS) 2020, to ensure the objectivity and reliability of the report’s content and data.

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1) GRC: HD Hyundai Group Global R&D Center - The Seoul office of HD Hyundai Oilbank is located within the GRC.

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Introduction

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CEO Message

CEO and President **Song Myung-Joon**CEO and Vice President **Jung Im-Ju**

Dear Valued Stakeholders,

I would like to express my sincere gratitude to all of you for your unwavering support and encouragement for HD Hyundai Oilbank.

The year 2024 proved to be a pivotal period, marked by heightened global uncertainty, with persistent high interest rates, escalating geopolitical tensions, and ongoing disruptions to global supply chains. In the midst of these multifaceted challenges, the need for agile and responsive corporate action became more critical than ever. In this context, HD Hyundai Oilbank has placed Environmental, Social, and Governance (ESG) management at the core of its corporate strategy and has pursued value-driven management under the slogan, “Eco-Friendly Future with Green Energy.”

To begin with, we are actively fostering emerging low-carbon businesses, including biofuels and circular economy initiatives. As the use of biofuels continues to grow across the automotive, marine, and aviation sectors, we plan to progressively expand our bioenergy production capacity. Furthermore, we intend to actively engage in the waste plastic pyrolysis oil market, which focuses on collecting and recycling waste plastics that would otherwise be incinerated or sent to landfills.

In alignment with our vision of becoming an “Eco-Friendly Company,” we will strengthen our environmental management governance framework and capitalize on an integrated environmental management system to systematically control pollutants. In particular, we will enforce more stringent standards on major pollutants affecting air, water, and soil and implement proactive measures to mitigate their impact. Through comprehensive analysis of environmental impacts across all operational activities, we will remain committed to minimizing our ecological footprint and upholding responsible environmental management practices.

Moreover, we will further solidify our position as a “Safety and Well-being Company” by placing the highest priority on safety and health. Since 2016, we have consistently maintained the highest rating (P grade) in Process Safety Management (PSM) for three consecutive evaluation cycles. In addition, in 2024, we were recognized as an outstanding company in the “Large and Small Business Safety and Health Mutually Beneficial Cooperation Project,” organized by the Ministry of Employment and Labor, in acknowledgment of our commitment to mutual growth with our suppliers.

Finally, HD Hyundai Oilbank pursues sustainable growth through transparent and fair management, grounded in compliance with social norms and public order. In 2024, we adopted the Anti-Corruption Management System (ISO 37001) and have since advanced our compliance efforts through regular evaluations and inspections. Building on this foundation, we will strive to ensure that all executives and employees regard compliance with laws and regulations as a top priority, and that every decision is guided by legal provisions, principles, and moral justifications.

As Korea’s first privately established oil refinery, HD Hyundai Oilbank has played a pivotal role in securing a stable national energy supply for the past 60 years. We have also championed sustainable coexistence by fostering mutual growth with our customers, suppliers, and local communities.

Moving forward, we will continue to fulfill our social responsibilities through steadfast ESG management practices and endeavor to evolve into a company that lives up to the trust and confidence of all stakeholders.

We sincerely ask for your continued interest and support.
Thank you.

Business Model

Company Overview

HD Hyundai Oilbank commenced operations in 1964 as Korea’s first private oil refinery. Since introducing the ‘OILBANK’ brand in 1994, we have expanded to operate approximately 2,500 gas stations nationwide, delivering differentiated services and reliable products to our customers. In addition to reinforcing the competitiveness of our core petroleum product business, we are actively advancing new initiatives in the biofuel sector and the circular economy business, which focuses on recycling waste plastics, tires, and lubricants. We will remain committed to evolving as a trustworthy company that fulfills its social responsibilities alongside its fundamental obligation to generate profits.

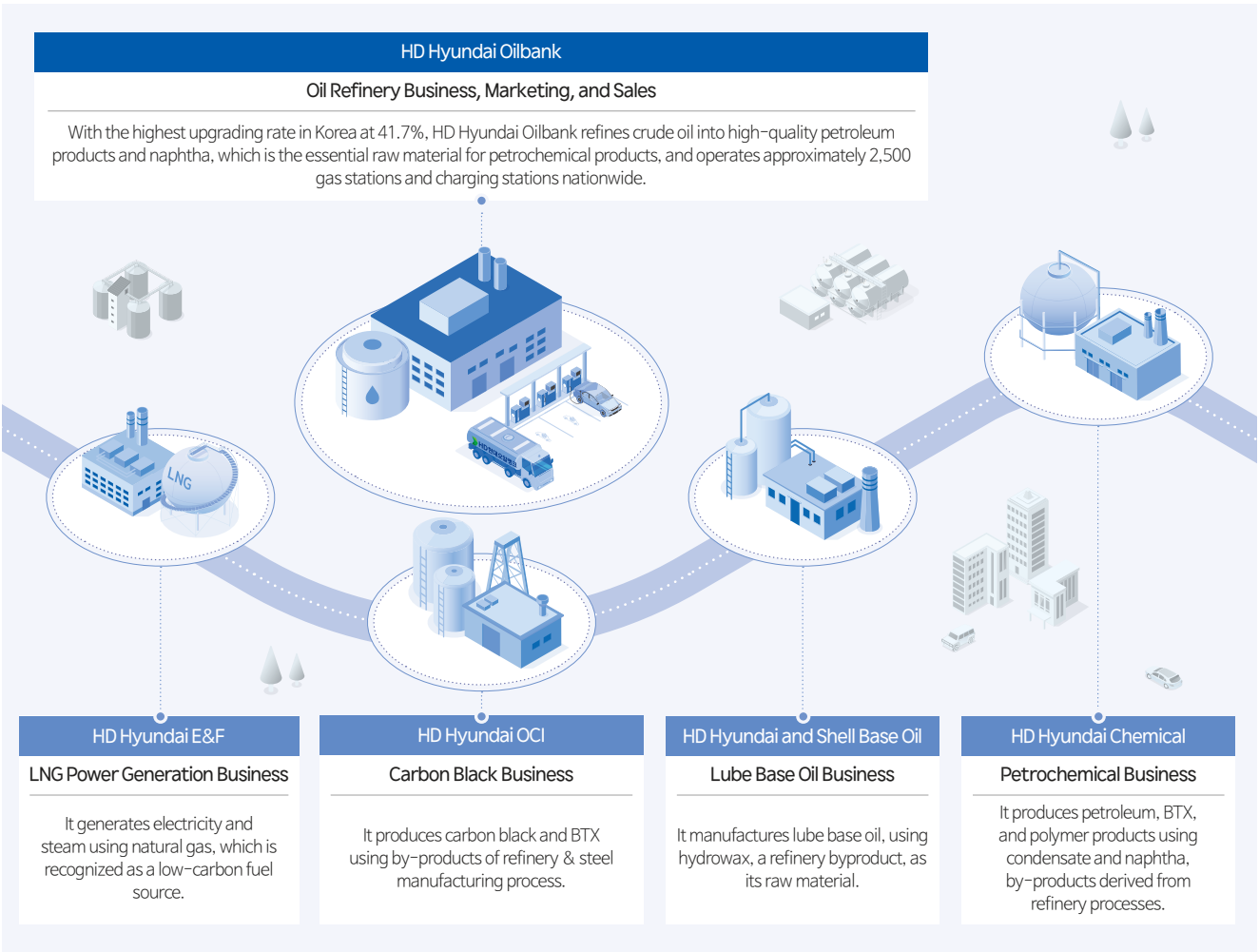
Company name	HD Hyundai Oilbank Co., Ltd.
Establishment date	November 19, 1964
Business areas	Petroleum refining and sales of refined petroleum products
CEO	President Song Myung-Joon / Vice President Jung Im-Ju
No. of employees	2,164 persons (non-consolidated, as of 2024)
Total assets	KRW 19.955 trillion (consolidated, as of 2024)
Sales revenue	KRW 30.4686 trillion (consolidated, as of 2024)
Operating profit	KRW 258 billion (consolidated, as of 2024)

Business Portfolio

Business Network

Domestic ↗

Overseas ↗



ESG Management Framework

Governance

Implementation Organization

HD Hyundai Oilbank operates a staged implementation system to effectively execute its ESG strategies, with clearly defined roles at each level. Centered on the ESG Committee under the Board of Directors, the highest decision-making body, the ESG Promotion Council, responsible for strategic planning, systematically interacts with the ESG Action Task Force (TF), which oversees actual implementation. Each unit collectively forms a comprehensive ESG management framework encompassing strategy formulation, implementation, monitoring, and improvement, thereby ensuring robust execution capabilities.

	Composition 1 inside director + 3 independent directors + 1 non-executive director Role Establishes the direction of the company's ESG strategy and deliberates on key ESG management issues.
	Composition Chief ESG Officer and 18 executives responsible for the environment, social, and governance domains Role Formulates and reviews plans to achieve ESG strategies
	Composition ESG working-level staff (from 41 departments) Role Advances ESG strategies and goals, responds to ESG issues, and implements preventive systems
	Role Develops ESG strategies, objectives, and foundational plans and serves as the secretariat to ESG decision-making bodies.

Strategy

ESG Vision System

Under the slogan “Eco-Friendly Future with Green Energy”, HD Hyundai Oilbank systematically advances its ESG strategy to generate sustainable value across environmental, social, and governance dimensions.

ESG Slogan	“Eco-Friendly Future with Green Energy”		
ESG Pillar	Green Growth with Eco-Friendly Business	Green Value with People & Safety	Green Leadership with Transparency
Key ESG Activities	 Enhancement of competitiveness in eco-friendly products	 Fostering an autonomous safety culture	 ESG performance-based compensation
	 Strengthening of environmental pollution management systems	 Expansion of human rights management	 Establishment of an anti-corruption management system
	 Ongoing environmental investment	 Management of ESG risks associated with suppliers	 Ongoing ESG communication

ESG Management Framework

Risk Management

ESG Performance Management System

Operation of ESG KPIs

HD Hyundai Oilbank incorporates ESG elements into its key performance indicators (KPIs) to enhance the overall level of ESG management. The annual reduction of greenhouse gas (GHG) emissions intensity by 1% compared to the previous year is designated as a key KPI to ensure effective management. In 2024, we exceeded this target by 3.7 percentage points and remain committed to achieving the goal in 2025.

2024 ESG KPI	Target	Performance
GHG emissions intensity improvement	1% improvement	4.7% improvement

2025 ESG KPI	Target
GHG emissions intensity improvement	1% improvement

ESG Performance Evaluation Process

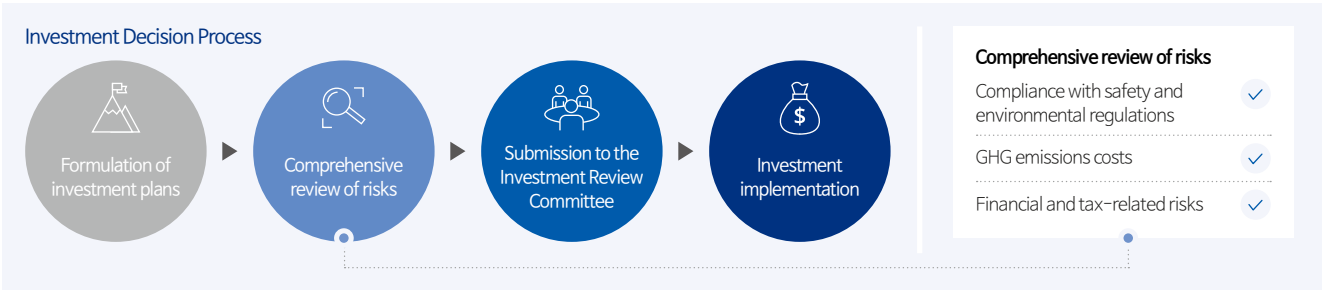
HD Hyundai Oilbank’s ESG KPIs are established, reviewed, and evaluated in phases in accordance with the annual plan. KPIs are set in January, followed by a mid-year review in July, a performance confirmation in October, and a final evaluation in January of the following year. Evaluation results are then reflected in compensation decisions in February, thereby reinforcing an ESG management system centered on execution.

January	Establishment of ESG KPIs
July	Interim review of ESG KPIs
October	Provisional inspection of ESG KPI performances
January, following year	Final evaluation of ESG KPIs
February, following year	Compensation adjustments based on evaluation results

ESG Risk Management System

ESG Risk Review in Investment Decision-Making

HD Hyundai Oilbank conducts preliminary reviews of ESG factors, such as safety, environmental impact, climate considerations, and taxation, during the investment decision-making process. From the investment planning stage, ESG risks are identified and the sustainability of the investment is assessed and considered through an integrated risk review and consultation with relevant ESG departments.



Development and Operation of the Eco-friendly Classification System

HD Hyundai Oilbank has established and operates a proprietary eco-friendly classification system, referred to as the “HDO-Taxonomy.” This system serves as a foundation for decision-making on eco-friendly investments, sales, and procurement, based on six key environmental objectives.

ESG Data Management (HD Hyundai Group ESG Integrated Platform)

HD Hyundai Oilbank plans to systematically collect and manage key ESG data through the integrated ESG platform established by HD Hyundai Group. The platform will also be upgraded to support future ESG disclosures and enable proactive risk management.

Greenwashing Screening

In its 2024 Sustainability Report, HD Hyundai Oilbank implemented a greenwashing screening using a checklist-based methodology. For terms such as “eco-friendly,” “green,” and “sustainable,” the appropriateness of usage was verified by confirming the presence of third-party environmental certifications or scientifically validated evidence of environmental benefits.

[Part1]

Materiality Report

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Double Materiality Assessment

Procedure

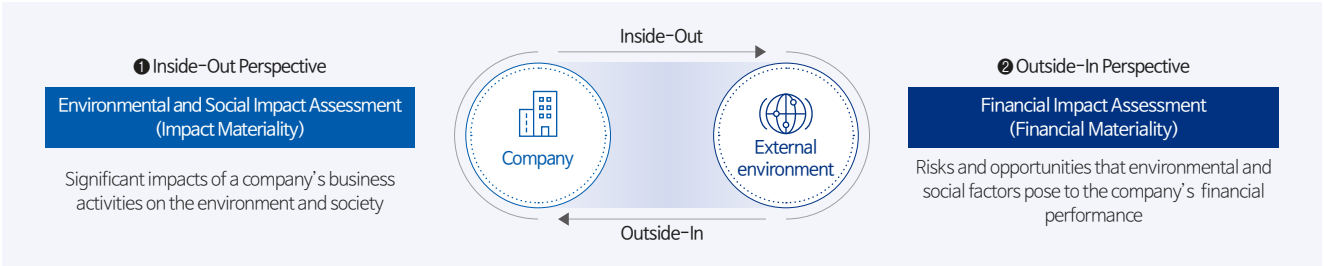
Overview

HD Hyundai Oilbank conducts a double materiality assessment annually in accordance with the guidelines of the Global Reporting Initiative (GRI) and the European Sustainability Reporting Standards (ESRS) to identify its material ESG issues. This process involves a bidirectional evaluation of both the impact of our business activities on the environment and society, and the effects of external environmental and social changes on our financial performance. We score internal strategies and industry trends, and incorporate diverse analytical data and stakeholder feedback to identify relevant influences, risks, and opportunities. Using a structured internal methodology, we then prioritize these issues to determine our material ESG topics.

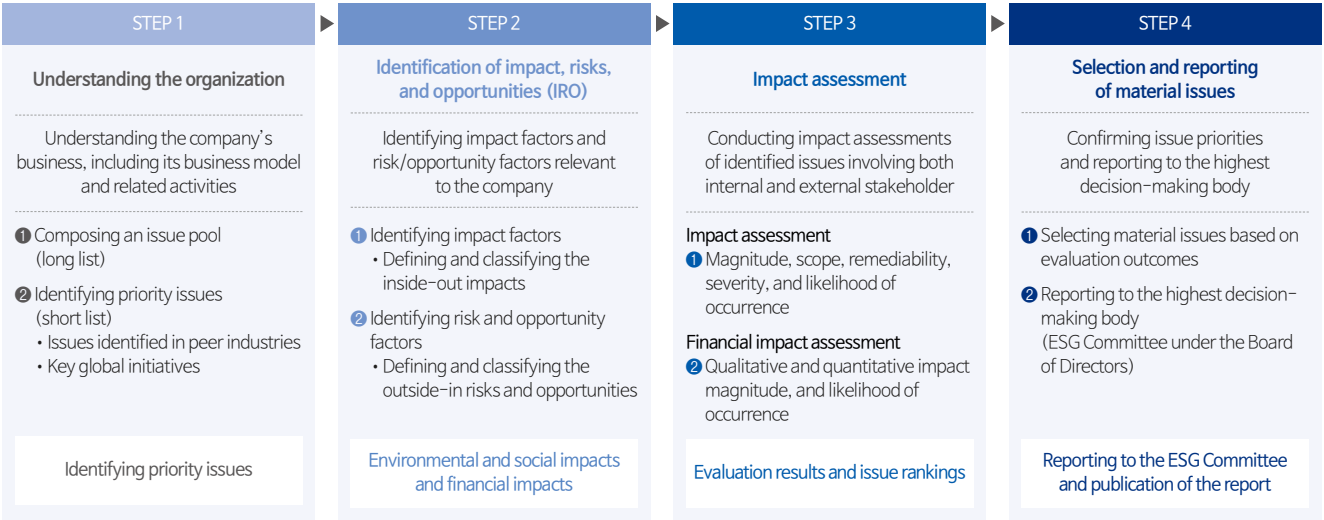
Assessment and Analysis Method

Category	Impact Materiality	Financial Materiality
Composition of an issue pool	Impacts on stakeholders arising from business activities • ESRS sub-topics (92 items) • Global disclosure standards for the oil and gas industry & peer and media analysis	Review of perspectives from major financial stakeholders • Key review items from evaluation agencies : KCGS, EcoVadis, etc. • SASB Oil & Gas Topic
Evaluation method (survey and interview)	Assessment of impact on internal and external stakeholders • Stakeholder survey	Assessment of financial impact within HD Hyundai Oilbank arising from identified risks and opportunities • Survey of personnel from relevant internal departments

Concept of Double Materiality



Assessment Process



Double Materiality Assessment

Assessment Results

HD Hyundai Oilbank has implemented a double materiality assessment to comprehensively evaluate the impacts of environmental and social issues on both the company and society. This assessment analyzed material issues across two dimensions: environmental and social impact (inside-out perspective) and financial impact (outside-in perspective). As a result, the following were identified as key material issues with the highest bidirectional impact: ▲ environmental pollutant management, ▲ response to climate change, ▲ compliance and business ethics, ▲ safety and health management, and ▲ production and development of eco-friendly products. The three most critical issues within each ESG category, Environment (E), Society (S), and Governance (G), are discussed in detail in [Part 1] Materiality Report.

Assessment result matrix



Ranking	Category	Material Issues ¹⁾	Environmental and Social Impact Assessment (Inside → Outside)		Financial Impact Assessment (Outside → Inside)		Page
			Impact Classification	Assessment Result	Risk/Opportunity Classification	Assessment Result	
1	E	Environmental pollutant management	Negative impact	Actual	High	Risk	12-13, 32-41, 88-89
2	E	Response to climate change	Negative impact	Actual	High	Risk	20-31, 88-89, 129-130
3	G	Compliance and business ethics	Positive impact	Actual	Medium	Risk	16-17
4	S	Safety and health management	Negative impact	Actual	Medium	Risk	14-15, 49-57, 90-91, 122
5	E	Production and development of eco-friendly products	Positive impact	Actual	High	Opportunity	23-27, 88-89
6	S	Human resource management	Positive impact	Actual	Low	Opportunity	58-67, 92-97
7	E	Biodiversity protection	Positive impact	Potential	Low	Opportunity	41-43, 103
8	S	Supplier ESG management	Positive impact	Actual	Low	Opportunity	68-71, 98

1) In the 2024 materiality assessment scoring results, “Biodiversity protection,” “Human resource management,” and “Compliance and business ethics” were newly identified as material issues.

(●●●) High

(●●○) Medium

(●○○) Low

Topic 1

Environmental Pollutant Management

Double Materiality and Impact

Environmental and Social Impact (Inside → Out)

Impact of company activities on the external environment

HD Hyundai Oilbank recognizes that various environmental pollutants, including air emissions, wastewater, and industrial waste, may be generated in the course of its business operations. Accordingly, we monitor key environmental management indicators in real time and systematically manage environmental data across all business sites through the operation of Tele-Monitoring Systems (TMS) for both stack emissions and remote water quality. Furthermore, we have obtained integrated permits in accordance with the Act on the Integrated Control of Pollutant-Discharging Facilities and continue to enhance environmental management systems at each site.

Emissions monitoring

Integrated environmental management system

Investment in pollution prevention facilities

Financial Impact (Outside → In)

Impact of external risk and opportunity factors on the company

Environmental pollution incidents require substantial human and material resources for restoration. To minimize such risks, HD Hyundai Oilbank conducts regular environmental inspections, operates a 24-hour monitoring system, secures key containment materials for emergency response, and carries out incident response drills. Furthermore, in accordance with the Act on Liability for Environmental Damage and Relief, we maintain environmental liability insurance to ensure prompt recovery and compensation in the event of an incident.

Prevention and inspection of environmental accidents

Real-time monitoring

Establishment of emergency response systems

Issue Management Framework

Environmental Management Policy

[View the full text](#)

HD Hyundai Oilbank endeavors to minimize the environmental impact of its operations and has established and manages relevant policies in fulfillment of its social responsibility. Based on a structured environmental management policy, we are establishing standards to manage environmental impacts across various domains, including air quality, water quality, waste, chemicals, and soil.

Environmental Management Vision

HD Hyundai Oilbank has established the realization of an “Eco-Friendly Company” as its environmental management vision, with the core objective of enhancing competitiveness as an eco-friendly workplace. To this end, we pursue two core strategies: “Applying Optimal Environmental Technologies” and “Advancing the Environmental Management Framework.” These strategies are executed systematically through five key initiatives.

Environmental Vision

Become an Eco-friendly Company

Environmental Goal

Enhance Competitiveness as an Eco-friendly Workplace

Environmental Strategy

Applying optimal environmental technologies

Advancing the environmental management framework

Key Initiatives

Achieve a zero-environmental-accident workplace

Strengthen integrated environmental operations across affiliates

Enhance environmental expertise of employees and suppliers

Advance the environmental management system

Reduce pollutants through the application of optimal environmental technologies

Topic 1

Environmental Pollutant Management

Key Activities

Enhancement of the Environmental Management Framework

Environmental management governance structure

HD Hyundai Oilbank establishes and manages its environmental management strategy company-wide under the vision of becoming an “Eco-Friendly Company.” A governance structure for environmental decision-making has been established, centered on the ESG Committee under the Board of Directors and the Chief Safety, Health, and Environment Officer (CSO). The environmental management and policy units collaborate closely and systematically to ensure effective execution.

ESG Committee

Chief Safety, Health, and Environment Officer (CSO)

Environmental management unit

Environmental policy unit

Cooperation

Designation as an “Excellent Workplace” Under the Integrated Environmental Management System

HD Hyundai Oilbank obtained an integrated environmental permit in 2022 and has since been systematically managing emission sources through the establishment and operation of the integrated environmental management system, built on Palantir’s Foundry platform. In recognition of our environmental management efforts, regulatory compliance, and operational excellence, we were designated an “Excellent Workplace” following the Ministry of Environment’s regular inspection under the Act on the Integrated Control of Pollutant-discharging Facilities in 2024.

December 2022	2023 - 2024	June 2024
Acquired integrated environmental permit	Established integrated environmental management system through EQR-180	Selected as an “Excellent Workplace” following the Ministry of Environment’s Regular Inspection under the Act on the Integrated Control of Pollutant-Discharging Facilities

Monitoring and Reduction of Environmental Pollutants

Operation of voluntary air pollutant reduction and monitoring systems

HD Hyundai Oilbank conducts real-time monitoring of air pollutants at emission points using stack tele-monitoring systems (TMS) and enforces internal emission standards that exceed legally mandated thresholds. We have employed advanced pollutant reduction facilities, including the Flare Gas Recovery Unit (FGRU), Vapor Recovery Unit (VRU), and Vapor Combustion Unit (VCU), and systematically manage Volatile Organic Compounds (VOCs) leakage through LDAR (Leak Detection and Repair). In recognition of these sustained efforts, HD Hyundai Oilbank was selected in 2024 as an exemplary company for voluntary air pollutant reduction.

Major efforts and achievements

Expansion of TMS installations

Application of FGRU, LDAR, and VRU technologies

Designation as an Excellent Company for Voluntary Emissions Reduction

Water Quality Improvement Through Real-Time Monitoring

HD Hyundai Oilbank applies internal standards that are more stringent than legal requirements for key water pollutants such as Total Organic Carbon (TOC) and Total Nitrogen (TN). We operate a 24-hour real-time water quality monitoring system (TMS) and maintain a robust emergency response system. In addition, we have enhanced the performance of our wastewater treatment facilities through targeted upgrades, thereby maximizing the effectiveness of our water quality management.

Key improvement initiatives

Installation of influent temperature reduction equipment

Installation of sludge dewatering equipment

Structural improvement of the DAF (Dissolved Air Flotation) system

Strengthening the Waste Circulation System

Increasing the waste Circular Utilization rate

HD Hyundai Oilbank is transitioning from conventional waste disposal to a circular approach centered on recycling and reuse, resulting in an increase in the circular utilization rate from 88.95% in 2022 to 92.8% in 2024. We are preparing to obtain the “ZWTL Silver Level” certification from UL Solutions, with the goal of achieving final certification by 2026.

Trends in circular utilization rates

88.95

93.64

92.8

2022

2023

2024

Regeneration and Recycling of Waste Catalysts

HD Hyundai Oilbank applies advanced technologies to recycle waste catalysts generated during the oil refining process and to recover valuable metals. In particular, spent catalysts from the desulfurization process are not discarded but regenerated and reused in other operations. This practice is enhancing both resource efficiency and economic viability.

Catalyst replacement

Generation of waste catalyst

Sale of waste catalyst

Catalyst regeneration and recycling

Topic 2

Safety and Health Management

Double Materiality and Impact

Environmental and Social Impact (Inside → Out)

Impact of company activities on the external environment

In workplaces involving hazardous or high-risk facilities, incidents such as chemical leaks, fires, or explosions can result in harm not only to employees and supplier workers but also to surrounding communities. HD Hyundai Oilbank operates a systematic and comprehensive Process Safety Management (PSM) system and continues to hold the highest rating, Grade P, in the PSM compliance assessment conducted by the Ministry of Employment and Labor. We are also committed to fostering a safe working environment by minimizing unsafe behaviors and conditions through the voluntary participation of all workers in safety initiatives.

Fostering an autonomous safety culture

Process Safety Management (PSM) system

Minimizing unsafe behaviors and conditions

Financial Impact (Outside → In)

Impact of external risk and opportunity factors on the company

Safety and health-related regulations, including the Serious Accidents Punishment Act, are being increasingly reinforced. In this context, companies are required to proactively prepare for potential safety risks such as manpower loss, operational disruptions, and management vacuums resulting from safety incidents. In response, HD Hyundai Oilbank is actively undertaking initiatives to advance safety awareness and internalize safe behaviors with the objective of achieving “zero safety accidents.” These efforts include diverse education and training, as well as the restructuring of safety and health management systems.

Pursuing the goal of zero safety accidents

Conducting education and training to enhance safety awareness

Restructuring safety and health systems

Issue Management Framework

Safety and Health Management Policy

[View the full text](#)

HD Hyundai Oilbank considers safety and health as top priorities for sustainable growth. Accordingly, we seek to fulfill our social responsibilities with the aim of minimizing potential negative impacts across all business operations.

Safety and Health Management Vision

Our vision for safety and health management is the realization of a “Safety Well-Being Company” by advancing safety awareness and internalizing safe behaviors. To achieve our overarching goal of “zero safety accidents,” we have defined strategic tasks, such as establishing an autonomous safety culture, strengthening safety leadership, and supporting our suppliers in enhancing their safety practices.

Safety Vision

Realization of a Safety Well-Being Company

Safety Goal

Zero Safety Accidents

Safety Strategy

Advancing safety awareness

Internalizing safe behavior

Key Initiatives

- Reducing lost workdays company-wide through the establishment of an autonomous safety culture
- Strengthening safety leadership among organizational leaders
- Introducing smart and advanced safety equipment training employees

- Overhauling the integrated emergency response and information-sharing system among affiliates
- Providing legal compliance consulting for suppliers
- Establishing safety organizations and operating committees by division

Topic 2

Safety and Health Management

Key Activities

Internalizing Safety Culture

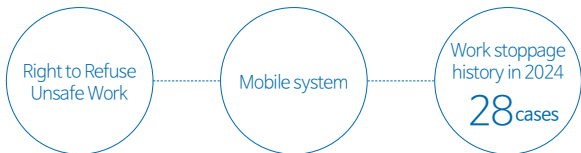
Cultivating Safety Through Collective Responsibility and Competency Building Programs

HD Hyundai Oilbank is implementing a systematic safety capacity enhancement program comprising four steps: executive one-on-one safety coaching, safety leadership training for leader groups, safety mentoring for lower-level employees, and experiential safety training. Our objective is to increase the safety culture level diagnosis score to 70 points by 2026 by fostering an organizational culture that thoroughly internalizes safety principles.



Achieving Zero Accidents by Empowering the Right to Refuse Unsafe Work

HD Hyundai Oilbank operates a work suspension right system that empowers employees and suppliers to immediately halt operations in urgent situations. In 2024, we further strengthened on-site risk response capabilities by introducing a mobile-enabled system.



Improving Safety Management Capabilities

Enhancing Prevention through Advanced Job Risk Analysis

HD Hyundai Oilbank has comprehensively introduced Job Risk Analysis (JRA) across all operations to systematically classify and manage potential hazards. Our dedicated Process Safety Management (PSM) team enhances our focused response capabilities, and we have reinforced facility management in strict compliance with statutory standards.



Prevention of Serious Accidents through Safety Measures for High-Risk Work

HD Hyundai Oilbank classifies tasks conducted in high-risk areas and those involving hazardous materials as high-risk work. For such tasks, dedicated safety personnel are assigned to each department, and team leaders directly participate in safety inspections to ensure that no risk factors or safety measures are overlooked, thereby thoroughly preventing accidents.

Enhancing Risk Detection Capabilities through Advanced Voluntary Inspections

HD Hyundai Oilbank has strengthened its ability to identify and address on-site risk factors by expanding the scope of voluntary inspections for high-pressure gas facilities—including inspection entities and items—and upgrading inspection methods.

Support for Supplier Safety Management

Mutual Growth Cooperation Project for Safety and Health

Since 2023, HD Hyundai Oilbank has consistently promoted collaborative efforts with suppliers to elevate their safety and health standards and prevent industrial accidents. This includes the provision of safety supplies, operation of the Mutual Growth Council, and risk assessment consulting. These efforts were recognized in July 2024 with the Excellence Award at the Win-Win Cooperation Activity Best Practice Presentation Contest, hosted by the Korea Occupational Safety and Health Agency. Through these initiatives, we are establishing ourselves as an exemplary leader in fostering a practical, shared safety culture with our suppliers.

2024 Safety and Health Win-Win Cooperation Activities for Large and Small Businesses	
Provision of safety supplies	
Operation of the Mutual Growth Council	
Production and distribution of safety and health materials	
Consulting related to work risk assessments	
Enhanced safety and health levels of suppliers and effective prevention of industrial accidents	

Realizing Mutual Safety through Safety Management Support for Suppliers

HD Hyundai Oilbank operates a comprehensive system to strengthen the safety capabilities of suppliers, encompassing legal compliance assessments, educational programs, and the provision of financial and equipment support. In 2024, we enhanced the on-site safety environment by allocating approximately KRW 570 million for safety manager appointment fees and providing practical facility support, such as air conditioners and smart airbags.

Safety manager appointment fee	Approximately KRW 570 million
Safety equipment support	Air conditioners, smart airbags, shelters, etc.

Topic 3

Compliance and Business Ethics

Double Materiality and Impact

Environmental and Social Impact (Inside → Out)

Impact of company activities on the external environment

HD Hyundai Oilbank firmly believes in its capacity to foster a fair and honest corporate culture grounded in compliance and business ethics. All executives and employees prioritize strict adherence to laws and regulations, ensuring that all decisions are consistently guided by legal principles, ethical legitimacy, and moral standards. Moving forward, we will achieve sustainable growth by deeply embracing and practicing the values of compliance and business ethics.

Promoting a culture of compliance



Establishing ethical decision-making



Consolidating a culture of fair trade



Financial Impact (Outside → In)

Impact of external risk and opportunity factors on the company

HD Hyundai Oilbank pursues sustainable development by promoting transparent and fair management practices while upholding social norms and legal compliance. To this end, we have established a Code of Conduct for employees and suppliers, acquired certification for the Anti-Corruption Management System (ISO 37001), and operate a Fair Trade Voluntary Compliance Program (CP).

Transparent and fair management



Operation of the anti-corruption management system



Operation of ethical code of conduct



Issue Management Framework

Compliance and Business Ethics Policy

View the full text ↗

HD Hyundai Oilbank establishes and implements a policy to uphold compliance management and fair trade. Rooted in the company's core values, we strive to be a respected organization that contributes to customers, shareholders, the nation, and society, while achieving sustainable management through the faithful fulfillment of our social responsibilities and roles.

Compliance and Business Ethics Management System

HD Hyundai Oilbank operates a compliance and business ethics management system centered on business ethics, compliance management, and fair trade. In 2024, we introduced the ISO 37001 anti-corruption management system and established institutional frameworks, including the ethics charter, compliance control standards, and a voluntary compliance program for fair trade.

Fulfillment of Social Responsibilities
Through Compliance and Ethical Management

	Business Ethics	Compliance Management	Fair Trade
System	Anti-Corruption Management System (ISO37001)	Compliance Control Standards	Fair Trade Voluntary Compliance Program
Responsible Personnel	Anti-Corruption Manager	Compliance officer	Voluntary compliance manager
Regulations and Guidelines	Charter of Ethics & Anti-Corruption Guidelines	Compliance Control Standards	Fair Trade Voluntary Compliance Handbook & Work Procedures
Reporting Channel	Business Ethics Website 	Compliance manager e-mail	Fair trade manager e-mail

Topic 3

Compliance and Business Ethics

Key Activities

Establishment of a System Based on Compliance Management

Compliance Evaluation and Inspection

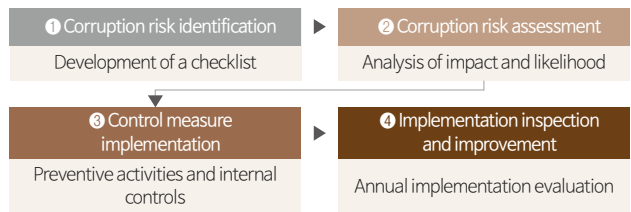
HD Hyundai Oilbank conducts evaluations to assess the risk of non-compliance, the severity of potential violations, and the level of employee awareness across five major compliance areas. These evaluations are designed to ensure adherence to applicable laws and regulations and to prevent potential breaches. Identified risks are systematically categorized by risk level, and appropriate mitigation measures are formulated to effectively manage them.

Evaluation areas: fair trade, subcontracting, illegal dispatch, anti-corruption and economic sanctions	High-risk Conduct assessments
Evaluation method : Self-assessment using a written checklist	Medium or higher-level risks Establish and execute response measures
Evaluation target : All departments company-wide	Compliance education Providing regular and special compliance training

Acquisition of ISO 37001 Certification

HD Hyundai Oilbank has developed an internal control system to strengthen its anti-corruption framework and successfully obtained ISO 37001 certification, the international standard for anti-corruption management systems. Regular assessments of corruption risks and control measures are conducted in parallel with ongoing training and internal monitoring to elevate awareness and strengthen the organization's preparedness to respond.

ISO 37001 Certification Acquisition Process



Consolidating a Culture of Fair Trade

Fair Trade Voluntary Compliance Inspections

HD Hyundai Oilbank operates a Fair Trade Voluntary Compliance Program (CP) to proactively mitigate risks associated with unfair trade practices. To verify the risk of potential violations in retail and sales strategy departments, designated units undergo diagnostic evaluations and inspections in accordance with CP procedures. These activities serve to minimize the likelihood of unfair practices and foster a culture of preemptive compliance. In 2024, on-site inspections were performed for 17 departments.

Establishment of Legal Information Scraping System

To address legal risks in a timely manner, HD Hyundai Oilbank employs EQR-180's AI-based system, which routinely updates newly enacted or amended laws and regulations. This approach aims to enhance legal awareness across the organization and reinforce overall compliance competency.

Internalization of Fair Trade among Employees

HD Hyundai Oilbank continuously provides capacity-building education to empower employees to independently comply with applicable laws and regulations, thereby fostering the natural integration of fair trade practices into daily operations. To further enhance compliance awareness, we operate regular compliance training sessions for all employees. Additionally, we publish a series of related columns in the company newsletter to deepen employees' understanding of fair trade and support their practical application in daily work.

2024 Fair Trade Column Contribution List

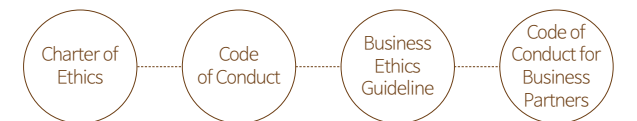
March	The Origin of the Fair Trade Act and the Sherman Act
May	Practical Understanding of Subcontracting Transactions
July	Compliance Program (CP)
September	Corporate Disclosure System
November	The EU's Compliance Soft Power: The Brussels Effect

Enhancing the Effectiveness of Ethical Management

Organized Implementation of Ethical Management

HD Hyundai Oilbank implements ethical management based on the HD Hyundai Group's ethical standards, including the "Charter of Ethics" and "Code of Conduct." To build a systematic and effective ethical management framework, we operate various implementation programs and conduct regular training and awareness activities to foster a strong ethical culture among employees.

HD Hyundai's Ethical Regulations



Operation of Ethical Management TF

To ensure smooth execution of ethical management activities across geographically dispersed business sites of HD Hyundai Oilbank and its affiliates, an independent Ethical Management Task Force was established in October 2023, separate from the HD Hyundai Group's ethics management organization. Operating directly under the Head of the Safety and Production Division, the TF is tasked with the proactive identification and prevention of ethical risks in the workplace.

Ethical Management TF Activities	• Operating the Ethical Management Consulting Office
	• Managing key-man for ethical activities
	• Sharing cases of ethical management violations
	• Inspecting work processes
	• Providing ethical management training
	• Holding ethical discussion meetings with suppliers
	• Publishing Ethical Management Pocketbook and PR broadcasts

[Part2]

Sustainability Report

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ENVIRONMENT

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Energy and GHG

Governance

Implementation Organization

HD Hyundai Oilbank addresses major ESG issues, including climate change, and sets its strategic direction through the ESG Committee under the Board of Directors. We have also established a dedicated organization responsible for energy and greenhouse gas management. This unit leads efforts to tackle climate-related challenges by formulating carbon reduction plans and identifying concrete mitigation actions. Through these efforts, HD Hyundai Oilbank continues to build its expertise and strengthen its execution capabilities in this area.

Energy- and GHG-related KPIs

Since 2024, HD Hyundai Oilbank has integrated “Greenhouse Gas and Energy Intensity” into its organizational key performance indicators (KPIs) to manage emissions and energy consumption relative to crude oil refining volumes. Each department is assigned a specific reduction target, with performance reviewed either periodically or as needed. In addition, HD Hyundai Oilbank reinforces implementation accountability and promotes ESG integration by linking the CEO and executives’ compensation to KPI outcomes.

Improve greenhouse gas emission intensity by

1%



Energy and GHG objective

Energy Management Principle

HD Hyundai Oilbank Energy Management Principle

HD Hyundai Oilbank designates energy management as a key task across all business areas to fulfill its social responsibilities for sustainable management and remains committed to achieving its energy and greenhouse gas (GHG) reduction targets. To implement these commitments, each employee shall fulfill their duties and obligations related to energy management, including adherence to the following responsibilities:

- ① Continuous improvement of energy performance

We shall establish the vision and strategy of each team for energy management and strive for continuous improvement of energy performance by employing all available means to conserve energy and enhance efficiency.
- ② Establishment and achievement of energy goals

We shall set energy management goals aligned with each team’s vision and strategy and shall provide the necessary information and resources to support their achievement.
- ③ Compliance with energy management regulations

We shall identify and comply with all applicable energy-related regulations, including domestic laws, international conventions, customer agreements, and voluntary commitments.
- ④ Preliminary energy review

We shall conduct preliminary energy reviews during the design or procurement of energy-consuming facilities, equipment, products, and services to improve energy performance and efficiency, and incorporate the findings into the decision-making process.
- ⑤ Continuous education

We shall cultivate the highest level of corporate energy management culture and enhance each team’s competencies by continuously raising awareness and providing ongoing education and training for all employees.

Energy and GHG

Strategy

Energy and GHG Reduction Strategy

HD Hyundai Oilbank is actively developing and implementing a range of initiatives to reduce greenhouse gas (GHG) emissions and address climate change. Our key strategies for carbon reduction include enhancing energy efficiency and introducing renewable and low-carbon energy sources. To support these efforts, we are establishing a quantitative evaluation system that incorporates risk assessment, technical feasibility, and economic viability for sector-specific reduction measures. Based on these evaluations, we intend to set business priorities and implement a phased, systematic action plan.

Major Strategy

Improving energy efficiency at business sites	• Optimization of fuel and utility consumption • Optimization of operational methods • Enhancements based on regular energy diagnostics
Introducing renewable energy and low-carbon energy	• Conversion to alternative fuels such as biofuels, hydrogen, and ammonia • Expansion of renewable energy use
Expanding the resource recycling business	• Increased use of plastic pyrolysis oil • Energy business utilizing non-edible resources
Promoting the CCUS business	• Adoption and development of CO₂ conversion technologies • Expansion of the carbon dioxide sales business
Other reduction initiatives	• Identification of external GHG reduction projects

Energy Saving Plan

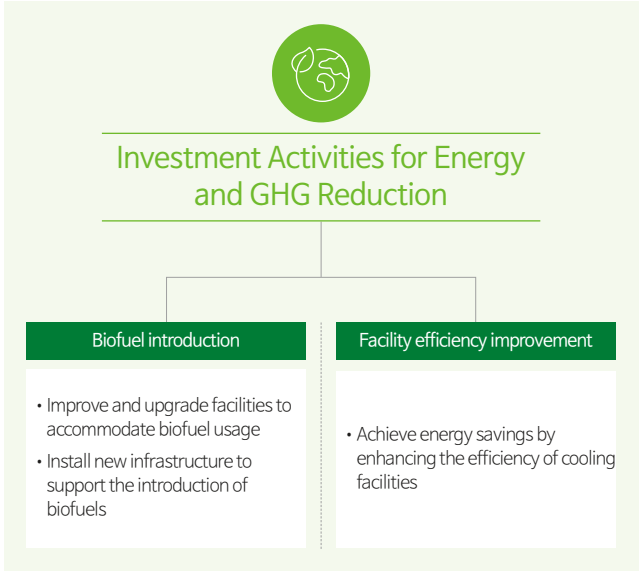
In 2022, HD Hyundai Oilbank has joined the Korea Energy Efficiency Partnership 30 (KEEP 30), a national initiative for energy efficiency innovation, and has set a target of improving energy intensity by 1% annually, aiming for a cumulative improvement of 5% by 2027. To achieve this goal, we are systematically monitoring energy-saving performance by process and establishing a real-time analysis system to facilitate efficient energy management.

Short-Term Goal by 2025
• Advance the dashboard system to enable systematic monitoring of energy-saving activities by process • Identify areas for continuous improvement through monthly energy usage reporting and analysis • Strengthen energy efficiency diagnostics and improvement activities for individual facilities
Mid-Term Goal by 2027
• Achieve a cumulative 5.0% improvement in energy intensity compared to 2022 • Introduce additional process-specific energy optimization technologies • Enhance the energy efficiency of key facilities and expand waste heat recovery systems

Energy and GHG Reduction Activity

Investment in Energy and GHG Reduction

HD Hyundai Oilbank allocates and executes dedicated investment budgets to actively advance its greenhouse gas reduction initiatives. We are consistently reducing emissions through targeted investments in facilities and improvements in process efficiency. In 2024, in particular, we prioritized enhancements to support the adoption of biofuels, including upgrades, supplements, and new facility installations. Furthermore, we implemented a project to improve the efficiency of cooling systems at the Daesan Plant, which is expected to yield annual energy savings of approximately 319 TOE, equivalent to a reduction of about 922 tCO₂eq.



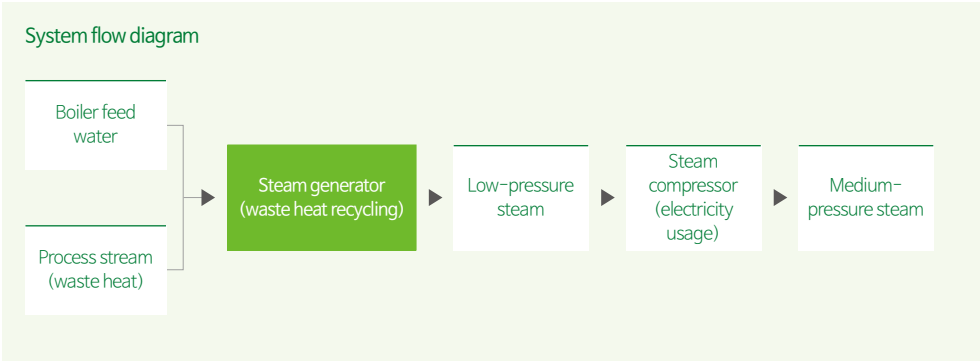
Energy and GHG

Strategy

Energy and GHG Reduction Activity

Waste Heat Recovery System

At the Daesan Plant, HD Hyundai Oilbank has adopted the Mechanical Vapor Recompression (MVR) system, an advanced energy-saving technology that efficiently recovers waste heat generated during the oil refining process. This technology significantly reduces both energy costs and greenhouse gas emissions by recycling waste heat from the top of the distillation tower through steam generation equipment to produce approximately 55 tons of medium-pressure steam per hour. The MVR system enhances profitability by leveraging the cost differential between electricity and steam, while substantially improving energy efficiency.



Construction of LNG Power Plant

As part of its low-carbon fuel transition strategy, HD Hyundai Oilbank is advancing its LNG-based collective energy business through its subsidiary, HD Hyundai E&F. In 2023, we completed the procurement of major power plant equipment, including gas turbines and steam turbines, and selected an EPC (Engineering, Procurement, and Construction) contractor. During the same year, it gathered public feedback on the draft environmental impact assessment through resident briefing sessions and public hearings. Based on these engagements, the final assessment report was submitted to the Ministry of Environment, and the regulatory review process was completed. Following approval and authorization from the Ministry of Trade, Industry and Energy, construction commenced in March 2024, with commercial operations scheduled to begin in 2026.

CCUS (Carbon Capture, Utilization, and Storage) Business

HD Hyundai Oilbank is actively expanding its carbon capture and sales operations, particularly targeting CO₂ emissions generated from hydrogen production processes. In 2023, we captured and sold 150,000 thousand Nm³ of CO₂, followed by 180,000 thousand Nm³ in 2024. We are continuously exploring the adoption of this technology as an effective means of reducing carbon emissions at our business sites. In addition, we are reviewing potential plans for transporting the captured CO₂ to overseas storage facilities.



Strengthening Employee Competencies

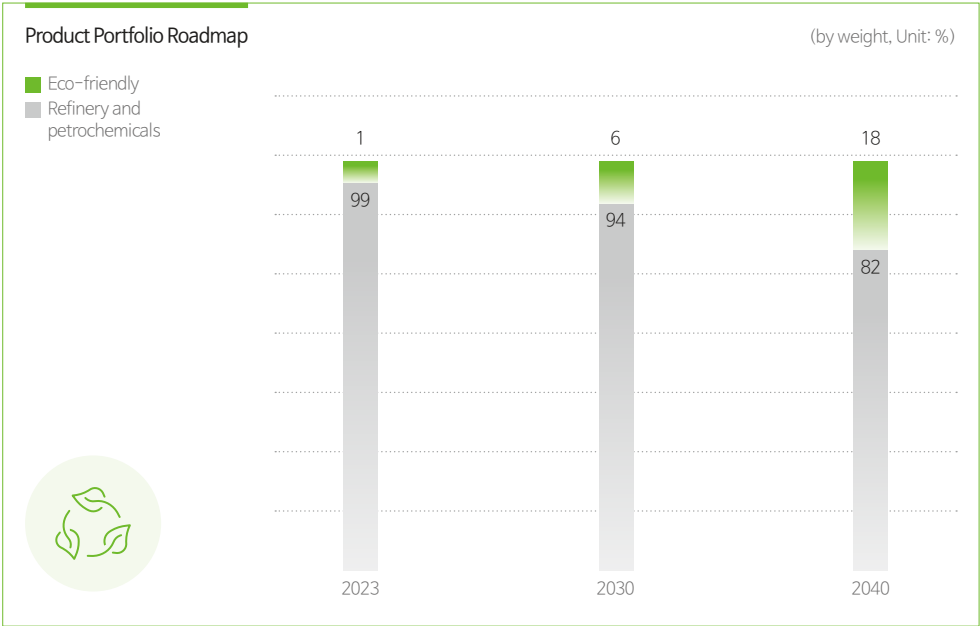
HD Hyundai Oilbank is actively engaging in external seminars and technical exchange programs to enhance internal capabilities in energy efficiency and greenhouse gas reduction. In 2024, a total of 17 education and training sessions related to energy and climate change were attended by executives and employees. These included specialized programs covering low-carbon fuel technologies, such as Sustainable Aviation Fuel (SAF) and the Carbon Border Adjustment Mechanism (CBAM). Through such initiatives, we are staying abreast of the latest technological trends and exploring implementable strategies to reduce energy consumption and greenhouse gas emissions.

Energy and GHG

Strategy

Eco-Friendly Business

HD Hyundai Oilbank is undertaking a mid- to long-term transformation of its product portfolio in order to proactively address climate change and adapt to the evolving structure of energy demand. In the oil refining sector, we are enhancing profitability through high-efficiency operations while intensifying its focus on the production of eco-friendly fuels such as biofuel to pursue sustainable growth. In the petrochemical sector, we plan to expand our production capacity for high value-added, eco-friendly, and advanced materials by capitalizing on our cost competitiveness. Aligned with this strategy, HD Hyundai Oilbank aims to increase the share of eco-friendly products, based on total production weight, to 18% by 2040, thereby realizing its corporate vision of an “Eco-Friendly Future with Green Energy.”



Major Eco-Friendly Business

HD Hyundai Oilbank is actively advancing its core eco-friendly businesses, centered on two strategic pillars: the bio business and the circular economy business. We continue to strengthen our business competitiveness through technological innovation, expanded investment, and diversification of feedstock sources.

Category	Main Contents	Plans and Mid- to Long-Term Goals
Bio business	Biodiesel business	- Stable operation of the biodiesel production facility - Diversification of feedstock sources
	Co-processing business	Diversification of products, including sustainable aviation fuel (SAF)
	Hydrogenated Vegetable Oil (HVO) business	Ongoing development of a mid- to long-term business roadmap, including the construction of an HVO plant
Circular economy business	Circular product manufacturing	Diversification of raw materials and circular products

Energy and GHG

Strategy

Eco-friendly Product

Bio Business

HD Hyundai Oilbank is cultivating its bio business as a key growth driver to address climate change and realize sustainable development. We are facilitating the transition from conventional oil refining to a green energy enterprise and enhancing our competitive edge through the development of a diversified portfolio.

Major Bio Product Portfolio

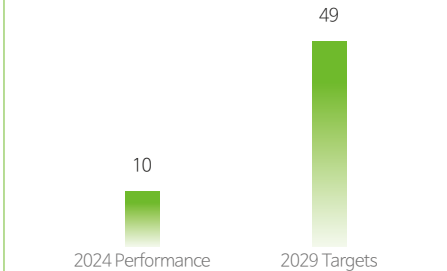
Since June 2024, HD Hyundai Oilbank has operated a biodiesel plant with an annual production capacity of 130,000 tons. The facility employs a supercritical process that enables catalyst-free biodiesel production. In addition, bio-products are being produced through co-processing, which integrates petroleum and bio-feedstocks within existing refining infrastructure. Currently, palm fatty acid distillate (PFAD) and used cooking oil (UCO) serve as primary raw materials. The supplier base is being expanded to include countries such as China, Vietnam, and Indonesia, thereby strengthening feedstock diversification.

Product Name	Description	Main Raw Materials	Characteristics and Strategy
Biodiesel (FAME)	Renewable diesel fuel derived from vegetable oil and animal fats	Palm fatty acid distillate (PFAD)	Renewable resource-based diesel fuel contributing to greenhouse gas reduction
Bio-naphtha	Bio-naphtha produced by refining used cooking oil-based bio-feedstocks within the refining process	Used cooking oil (UCO)	Bio-feedstock co-processed with petroleum in existing facilities; conversion certified under ISCC PLUS certification
Bio-marine fuel (B30)	Environmentally friendly marine fuel consisting of 30% biofuel blended with conventional marine fuel	Biodiesel (30% blended)	Compliant with CII standards; experiencing growing demand as an eco-friendly shipping fuel
Bio-aviation fuel (SAF)	Aviation fuel manufactured from bio-feedstocks, aimed at reducing carbon emissions in the aviation sector	Used cooking oil, vegetable oil-based	Acquired ISCC CORSIA and ISCC EU certifications

Bio Business Objectives

HD Hyundai Oilbank aims to lead the energy transition through the continuous expansion of its bio business. To ensure stable production and secure long-term raw material supply, we are establishing a diverse supplier network while broadening our product portfolio and distribution channels to reinforce market competitiveness. As a core element of our sustainable growth strategy, we intend to consistently increase biofuel production volume in the coming years, thereby consolidating our presence in the global energy market.

Bio Product Sales Performance and Targets



ISCC Certification

HD Hyundai Oilbank is proactively addressing international certification requirements and environmental regulations imposed by various countries. Our biodiesel has established an export foundation supported by ISCC EU certification, while bio-naphtha qualifies for conversion into petrochemical products under ISCC PLUS certification. To effectively respond to global market demands, HD Hyundai Oilbank plans to systematically acquire relevant certifications for newly introduced feedstocks and emerging products. Through these efforts, we endeavor to enhance product credibility and secure the long-term sustainability of our business.

Category	Subject of Certification
ISCC PLUS	Used cooking oil (UCO), refined soybean oil, co-processing plant
ISCC EU	Biodiesel plant, co-processing plant
ISCC CORSIA	Co-processing plant



Energy and GHG

Strategy

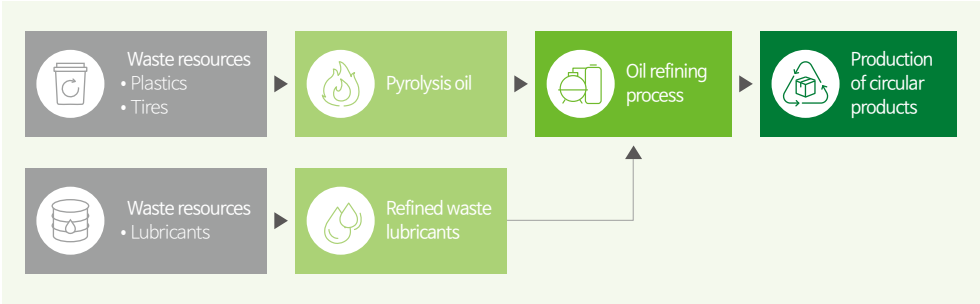
Eco-friendly Product

Circular Economy Business

HD Hyundai Oilbank is actively expanding its circular economy business by incorporating a diverse range of raw materials, beginning with waste plastic pyrolysis oil. Significant investments have been made to scale this business, and further investments in direct production and pretreatment facilities for pyrolysis oil are currently under consideration.

Circular Product Manufacturing System

The manufacturing of circular products commences with the procurement of pyrolysis oil. Various waste materials, including waste plastics and waste tires, are collected and subjected to a high-temperature pyrolysis process in an oxygen-free environment to convert them into pyrolysis oil. This pyrolysis oil is then integrated into the oil refining process, resulting in the manufacture of eco-friendly circular products, such as circular naphtha.



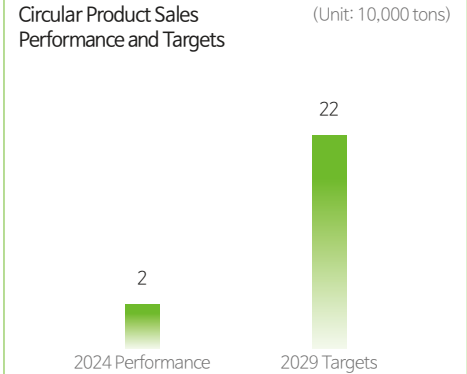
Major Circular Product Portfolio

Product Name	Description	Main Raw Materials	Characteristics and Strategy
Circular naphtha	Naphtha produced from pyrolysis oil	Waste plastic and tire pyrolysis oil	Certified under ISCC PLUS
Circular propylene	Propylene produced from pyrolysis oil	Waste plastic and tire pyrolysis oil	Certified under ISCC PLUS

Circular Economy Business Objectives

HD Hyundai Oilbank has formulated a comprehensive mid- to long-term plan to progressively expand the production of circular products. To achieve this objective, we are actively diversifying both raw material sources and product lines. At the same time, we are investing in technological development and enhancing operational efficiency to strengthen our market competitiveness, while securing a stable supply chain for raw materials. As part of these ongoing efforts, HD Hyundai Oilbank aims to increase circular product sales from 20,000 tons in 2024 to 220,000 tons by 2029, thereby solidifying its leadership position within the eco-friendly business sector.

Circular Product Sales Performance and Targets



Business Agreements and MOUs

HD Hyundai Oilbank is formalizing strategic MOUs with various organizations and enterprises to foster a circular economy. Key partnerships include an agreement with the Seoul Metropolitan Government to recycle waste plastics into pyrolysis oil, collaboration with the tire industry to establish the K-black cycle for waste tire recycling, and cooperation with Hyundai Department Store on circular economy initiatives utilizing waste vinyl. In 2024, a business agreement was also concluded with Chungcheongnam-do for the high-quality recycling of waste vinyl resources, making a meaningful contribution to the establishment of a circular economy framework.

Subject	Details
Seoul Metropolitan Government	Recycling household waste plastics, which would otherwise be incinerated or landfilled, into pyrolysis oil.
Tire industry	Establishment of the K-black cycle, a circular economy system for waste tires, through business cooperation
Hyundai Department Store	Collaboration in circular economy initiatives utilizing waste vinyl generated from department stores and related sources
Chungcheongnam-do	Introduction of pyrolysis oil derived from waste vinyl collected in Chungcheongnam-do for the manufacturing of circular products

Energy and GHG

Strategy

Eco-friendly R&D

Eco-Friendly R&D Roadmap

HD Hyundai Oilbank is advancing the development of technologies in the domains of hydrogen, carbon dioxide (CO₂) reduction, and energy. To this end, we are concentrating our R&D capabilities through a structured, eco-friendly R&D roadmap aligned with phased development strategies.

Research Area	Short- to medium-term roadmap (2024 - 2027)	Long-term roadmap (2028 - 2030)
Hydrogen	- Development of electrolyte membranes and separator materials for fuel cells and water electrolysis - Securing technological advantage through differentiated solutions - Demonstration and application expansion of ammonia decomposition catalysts	- Development of next-generation electrolyte membranes and separator materials - Completion of catalyst package technology acquisition
CO ₂ reduction	- Development of gas separation materials and process technologies - Creation of high value-added technologies through the conversion of CO₂ and process by-products into usable raw materials	Completion of technology development
Energy	- Development and differentiation of pyrolysis oil treatment technologies - Development of carbon neutral fuel technologies	- Application of technologies to commercial-scale processes - Completion of technology development

Eco-Friendly R&D Achievements and Goals

HD Hyundai Oilbank’s R&D initiatives are spearheaded by the Central Technology Research Institute and are implemented systematically in accordance with the eco-friendly R&D roadmap, resulting in the consistent filing of patent applications related to eco-friendly technologies. This demonstrates the continued advancement of our technological capabilities and the tangible outcomes derived from our R&D efforts. Beyond the development phase, we are also placing strategic emphasis on the commercialization of R&D achievements.

Achievements in 2024
Total eco-friendly R&D expenditure

KRW 13.9billion

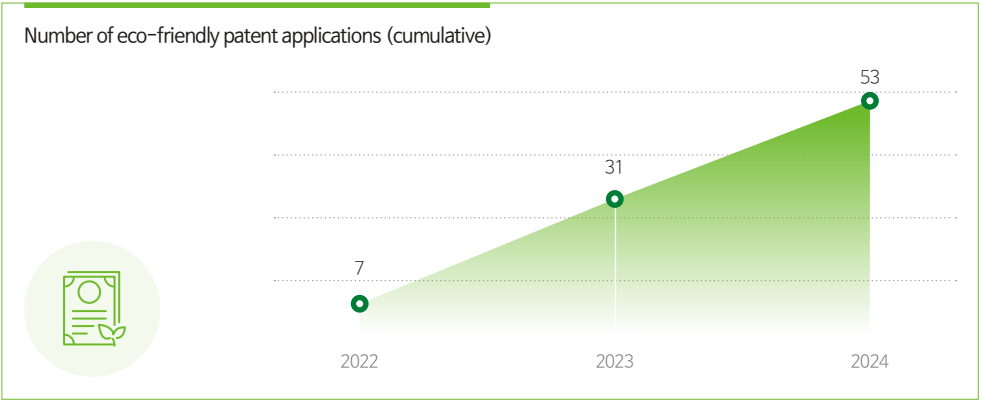
Achievements in 2024
Number of new eco-friendly patent applications

Achieved the target of filing 22 new eco-friendly patent applications

22applications

Target in 2025
Number of new eco-friendly patent applications

21applications



Energy and GHG

Strategy

Eco-friendly R&D

Eco-friendly R&D Achievements

HD Hyundai Oilbank is generating continuous results through active R&D in the fields of hydrogen, CO₂ reduction, and energy. While expanding its business portfolio through the development of new technologies, the company is also strengthening the foundation of its overall operations by researching technologies that support existing businesses, such as pyrolysis oil.

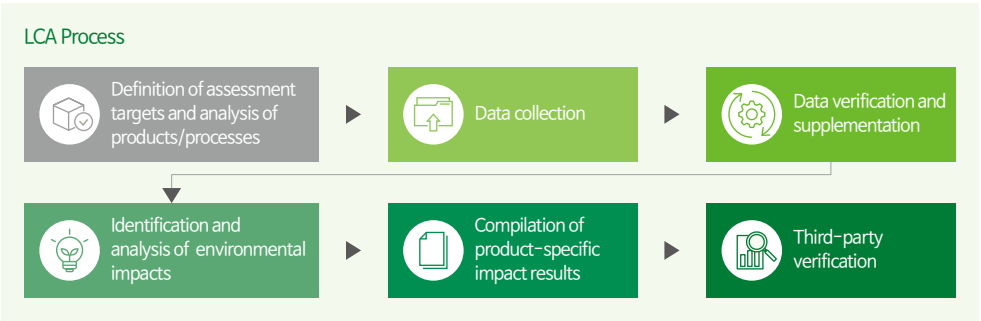
Research Area		Details
Hydrogen	Hydrogen fuel cell and water electrolysis materials	• Focused on the development of high-performance, high-durability electrolyte membranes, a core component for hydrogen production and utilization, to advance the hydrogen energy business • Simultaneous development of fluorine-based reinforced composite Poly Electrolyte Membrane¹⁾ and Expanded Polytetrafluoroethylene (e-PTFE)²⁾, which serve as critical materials for the above • Plans to expand R&D infrastructure for electrolyte membranes, enhance customer evaluation and certification capabilities to facilitate future commercialization, and establish in-house performance and durability evaluation systems for internal validation
	Ammonia decomposition catalyst	• Development of catalytic technology for efficient ammonia-to-hydrogen conversion to enable clean hydrogen transport, with multiple related patents registered and international applications underway
CO ₂ reduction	Carbon dioxide separation and utilization	• Development of technologies to separate and capture carbon dioxide and use it as a raw material for the chemical materials business, contributing to greenhouse gas mitigation strategies • Evaluation and development of cost-effective technologies and processes to separate and capture CO₂ generated from operational sites, alongside the pursuit of high-value-added technologies to convert process by-products into reusable raw materials
Energy	Pyrolysis oil	• Development of technologies to enhance the processing efficiency and economic feasibility of pyrolysis oil refinement, supporting the achievement of the circular economy business. • Expansion of the business portfolio through the acquisition of differentiated technologies tailored to various pyrolysis oil feedstocks.
	Low-carbon fuel	• Development of technologies to produce raw materials for carbon-neutral fuels, along with the exploration of conversion and synthesis technologies for the production of final low-carbon fuel products

1) Poly Electrolyte Membrane/Proton Exchange Membrane
2) Expanded Polytetrafluoroethylene, e-PTFE

Risk Management

Implementation of Life Cycle Assessment (LCA)

HD Hyundai Oilbank conducts Life Cycle Assessment (LCA) as part of a systematic approach to managing the environmental impact of its products. The assessments encompass the entire value chain, from raw material acquisition to final product manufacturing, enabling the evaluation of environmental impacts, including greenhouse gas emissions.



LCA-Based Product Assessment and Utilization

HD Hyundai Oilbank has conducted LCA across all product categories to rigorously evaluate and manage their environmental impacts throughout the entire production cycle. For bio-based and circular fuels, carbon emissions are calculated and disclosed to customers in accordance with methodologies and procedures defined by international standards, including ISO 14040, ISO 14044, and ISO 14067.

Development Plans for the LCA Estimation System

To ensure the consistent collection and systematic updating of data necessary for LCA calculations, HD Hyundai Oilbank plans to progressively establish a system capable of aggregating data by process and facilitating calculations in accordance with LCA methodologies.

Energy and GHG

Risk Management

Identification of Eco-Friendly Activities

HD Hyundai Oilbank has developed its own ‘Eco-Friendly Classification System Guidelines (HDO-Taxonomy),’ based on the Ministry of Environment’s K-Taxonomy Guidelines and the Guidelines on Labeling and Advertising of Eco-Friendly Business Activities, to minimize the risk of greenwashing. The guidelines delineate the criteria and procedures for the identification of eco-friendly activities.

The target activities pertain to the company’s investment, procurement, and sales operations. Activities that demonstrably contribute to the achievement of the ‘six major environmental (reduction of greenhouse gas emissions, transition to a circular economy, sustainable water conservation, resource circulation, pollution prevention and management, biodiversity conservation),’ and which either comply with legal requirements, obtain third-party eco-friendly certifications, or produce quantifiable environmental improvements, are classified as eco-friendly activities.

The “Conformity Assessment Group,” composed of representatives from departments responsible for eco-friendly investments, purchasing, and sales, is convened to assess the eligibility of such activities. Subsequent to the group’s deliberations, the results are submitted to the ESG Promotion Council for final endorsement.



Energy Monitoring System (EMS)

HD Hyundai Oilbank has implemented and currently operates an advanced Energy Monitoring System (EMS) to enhance the energy efficiency and reduce greenhouse gas emissions. This new EMS was developed leveraging the EQR-180 platform established in collaboration with Palantir Technologies. It serves as an integrated energy management platform that continuously monitors real-time energy consumption across key processes based on accurate data, analyzes energy efficiency, and identifies areas for improvement. Such systematic energy management fortifies HD Hyundai Oilbank’s foundation for sustainable growth.

Energy Monitoring System (EMS) Overview		
Main Functions	Operation Status	Expected Effects
• EII index-based monitoring – Visualization of energy efficiency by process – Provision of overall energy map	• Daily monitoring system – Tag checks more than twice daily – Automatic generation and distribution of daily reports	• Enhancing energy efficiency – Optimization of energy efficiency by process – Elimination of energy waste
• Multi-dimensional monitoring – Energy tracking by plant, department, and process – Detailed analysis of 30 major processes	• Abnormal detection and response – Automated alerts for items exceeding management thresholds – System for responsible personnel to verify and respond	• Reduction of GHG emissions – CO₂ emission reduction through decreased energy consumption
• Data utilization – Operation of Tag Management Portal – Provision of Excel-compatible data	• Monthly analysis reports – Monthly analysis of energy consumption patterns – Identification of areas for improvement	• Data-based decision-making – Investment decisions based on objective data – Reduction of facility maintenance costs

Energy and GHG

Risk Management

Analysis of the Financial Impact of Climate Change

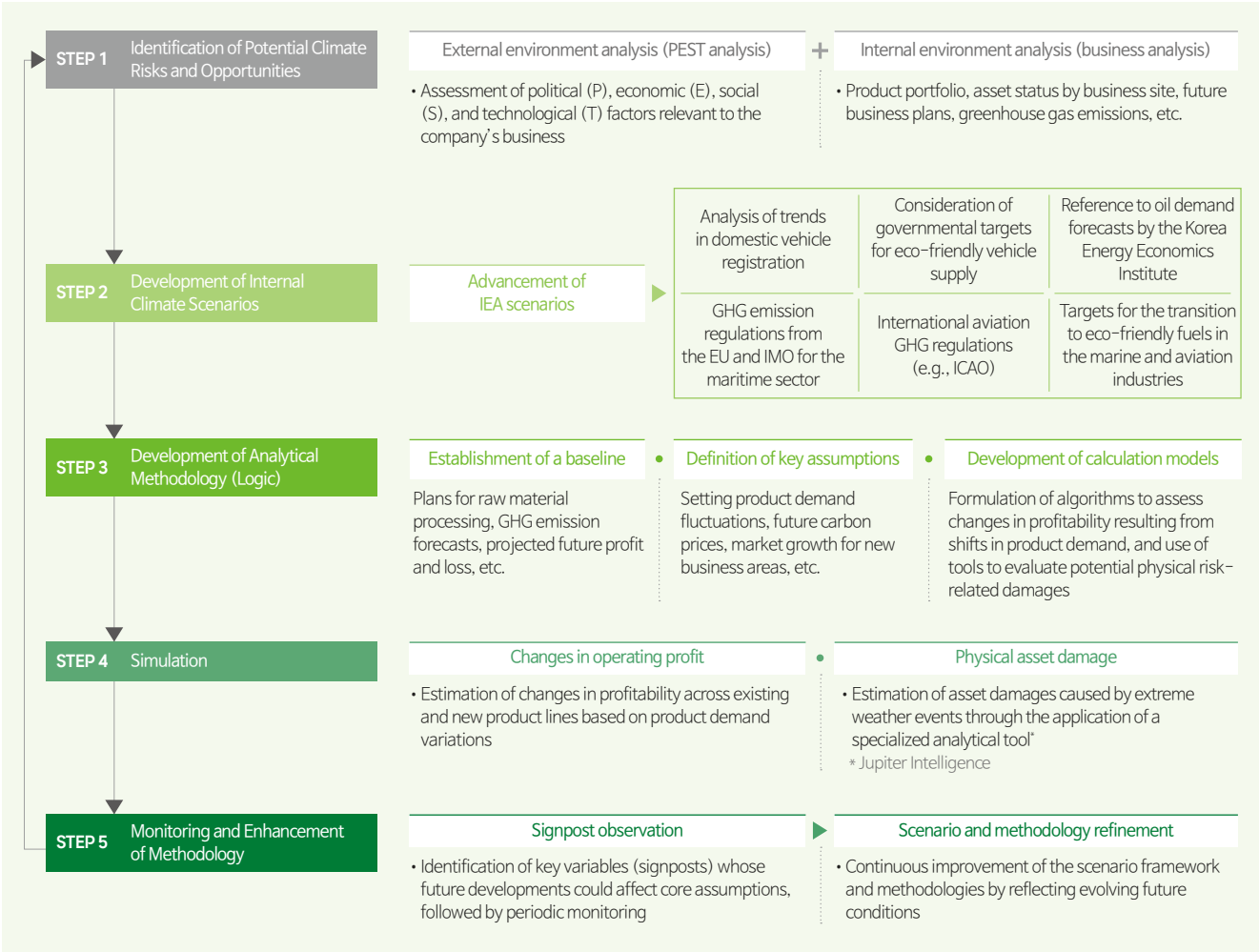
Methodology Development

Amid global climate change, the tightening of greenhouse gas regulations in many countries is generating transition risks, while the growing frequency and severity of extreme weather events are heightening physical risks. Accordingly, companies must adopt robust and systematic frameworks to identify, evaluate, and respond to both risks and opportunities that may significantly impact their business operations.

Climate change financial impact analysis refers to the comprehensive process of identifying transition risk factors (e.g., policy changes, market changes, increased technology costs, etc.) and physical risk factors (e.g., damage to facilities due to natural disasters, etc.), along with emerging opportunity areas (e.g., growth in new markets), and assessing their potential financial implications under a range of future climate scenarios.

This analysis enables companies to adjust the strategic direction of existing businesses, seize opportunities in emerging businesses, and proactively monitor external developments, thereby facilitating optimal business positioning.

Moreover, in order to conduct business activities within the European Union and other international markets, companies are required to comply with jurisdiction-specific regulations on climate-related financial disclosures. In this context, HD Hyundai Oilbank is committed to establishing and continuously refining its climate information analysis methodology to ensure transparent communication with stakeholders on climate-related matters.



Energy and GHG

Risk Management

Analysis of the Financial Impact of Climate Change

Analysis Results (Transition Risks and Opportunities)

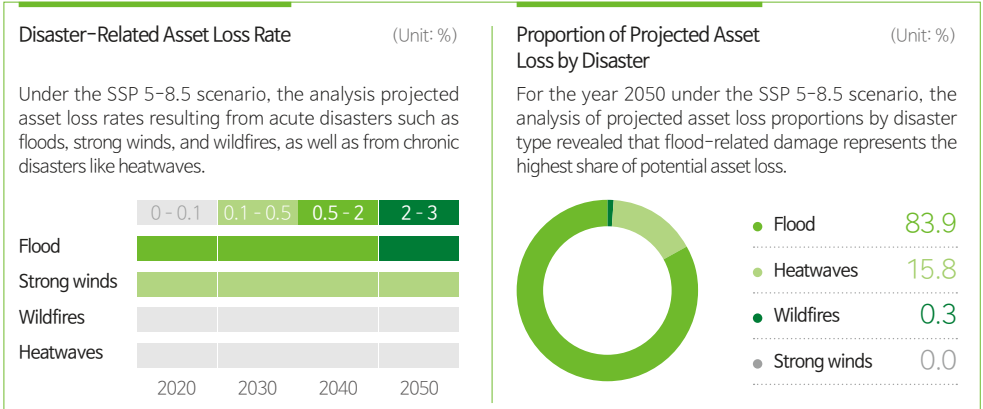
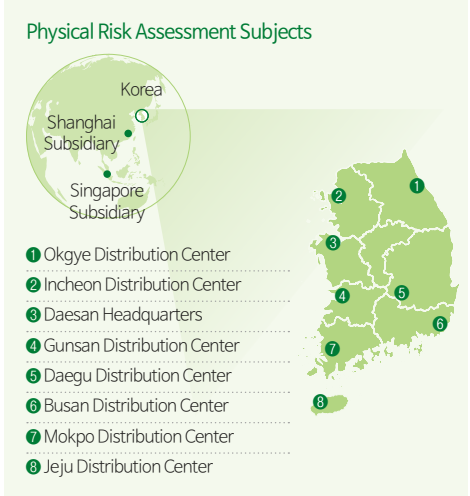
HD Hyundai Oilbank has identified potential climate-related risks and opportunities through an analysis of external environmental factors (PEST analysis) and an internal assessment of the company’s operational status (its product portfolio).

Product Portfolio	External Environment Analysis	Internal Status Analysis	Identification of Risk and Opportunity Factors
Existing products	 Automotive light oil	- Gasoline demand expected to remain stable - Diesel demand expected to decline	Potential risk due to reduced demand
	 Marine fuel	- Demand expected to decline due to carbon intensity regulations on vessels, including those issued by the IMO - Petroleum-based fuels account for over 60% of total sales	Potential risk due to reduced demand
	 Aviation fuel	Demand expected to increase due to growth in air traffic	Potential opportunity due to increased demand
New products	 Biodiesel	Demand expected to increase due to mandatory blending regulations	Potential opportunity due to increased demand
	 SAF	- Demand expected to increase due to international aviation GHG reduction targets - New business plans - Construction of a biodiesel production facility - Co-processing - Adoption of circular raw materials, etc.	Potential opportunity due to increased demand
	 Bio-naphtha	Demand expected to increase due to recognition of its GHG reduction potential	Potential opportunity due to increased demand
	 Circular naphtha	Demand expected to rise due to tightening regulations on recycled plastics	Potential opportunity due to increased demand

Analysis Results (Physical Risks)

We conducted a physical risk assessment for each business location utilizing a specialized analysis tool developed by Jupiter Intelligence. This tool quantitatively assesses exposure to eight types of natural disasters, including floods, strong winds, and wildfires, using predictive models based on projected climate change-induced weather patterns.

The assessment covered HD Hyundai Oilbank’s business sites and distribution centers in Korea, as well as overseas operations in China and Singapore. Physical risks were analyzed by considering geospatial data and asset information for each location.

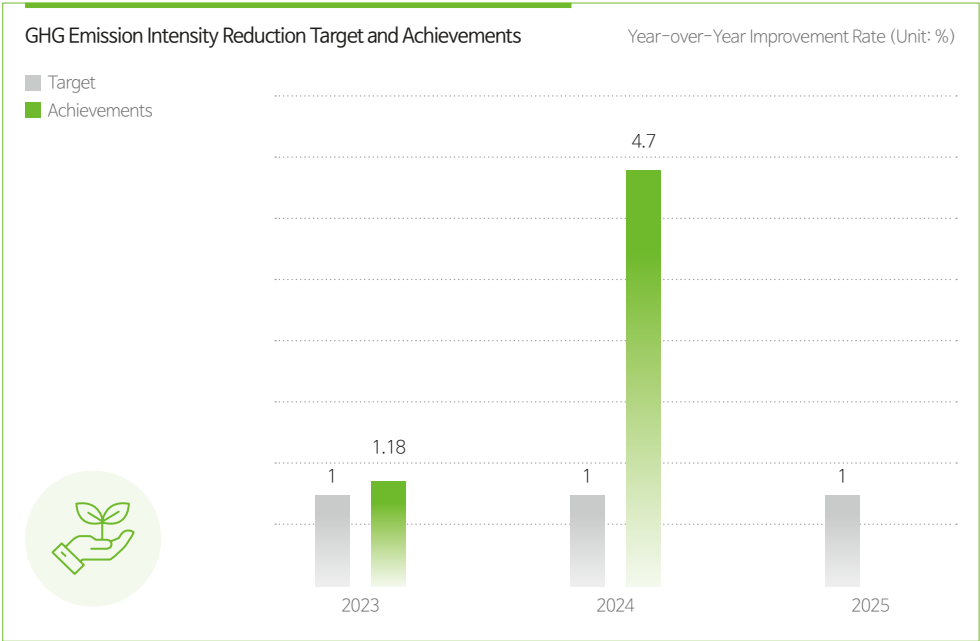


Energy and GHG

Metrics & Targets

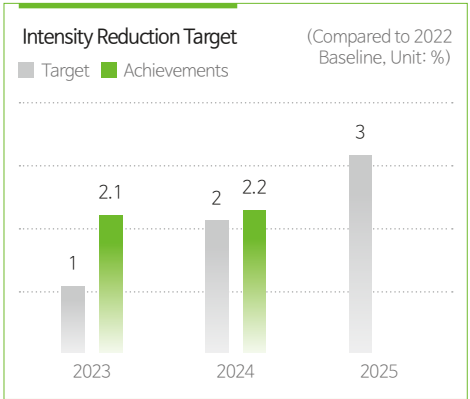
GHG Emission Intensity Reduction Target

HD Hyundai Oilbank designates the improvement of greenhouse gas emission intensity as a key performance indicator (KPI) for the company (CEO) and executives. The KPI target is set annually at a 1% reduction compared to the preceding year. Through various initiatives, such as enhancing energy efficiency and optimizing processes, we have consistently achieved this target. Notably, we recorded a 4.7% year-on-year improvement in GHG emission intensity in 2024. The same target is reflected in the KPIs for 2025 as well, and we will remain committed not only to meeting KPI benchmarks but also to advancing broader goals related to climate change mitigation and GHG reduction.



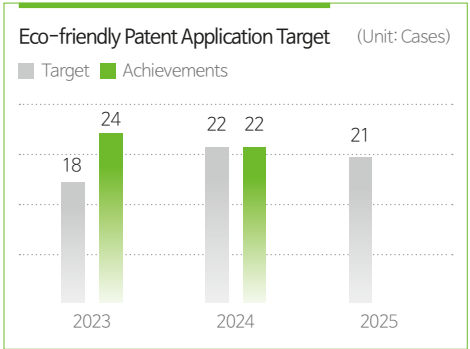
Energy Intensity Reduction Target

HD Hyundai Oilbank has established energy efficiency targets under the leadership of a dedicated energy management unit, along with a structured management system to ensure their achievement. In 2024, we aimed to reduce energy intensity by 2% compared to the 2022 baseline. This objective was surpassed through various initiatives, including steam usage reduction and the adoption of high-efficiency equipment, ultimately achieving a 2.2% reduction in energy intensity. For 2025, we have established a more ambitious target of a 3% reduction and will continue to pursue a wide range of strategies and action plans to ensure successful implementation.



Eco-friendly Patent Application Target

HD Hyundai Oilbank is establishing and systematically implementing goals for the application of eco-friendly patents in order to secure technological competitiveness, with a focus on R&D activities led by the Central Technology R&D Institute.



Environmental Pollutants

Governance

Implementation Organization

Dedicated Environmental Organization

HD Hyundai Oilbank’s environmental management is overseen by an organization headed by the Chief Safety, Health, and Environment Officer (CSO). Serving as the control tower for company-wide environmental initiatives, the environmental management unit manages environmental pollutants and executes investments in environmental facilities. In parallel, the environmental policy unit monitors environmental policy trends and engages in external communication with the Ministry of Environment.

HD Hyundai Oilbank operates an Environmental Management Action Committee, composed of environmental managers and personnel from across the company. The committee convenes monthly to share key environmental issues and deliberate on topics such as pollutant management within facilities, environmental investment, and related policies. Outcomes of these discussions are reported to the CSO and reflected in our overall environmental management framework.

HD Hyundai Oilbank Environmental Organization



Environmental Management Action Committee

Category	Details
Composition	• Company-wide environmental managers and personnel
Frequency	• Regular monthly meetings
Discussion topics	• Sharing information • Collaborative responses to environmental policies and issues • Promoting efficient investment through shared planning and coordination

Environmental Management Policy

[View the full text ↗](#)

HD Hyundai Oilbank endeavors to minimize the environmental impact of its operations and has established and manages relevant policies in fulfillment of its social responsibility. Based on a structured environmental management policy, we are establishing standards to manage environmental impacts across various domains, including air, water quality, waste, chemicals, and soil.



Environmental Management System (ISO 14001)

HD Hyundai Oilbank has obtained and continues to maintain ISO 14001 certification, the international standard for environmental management systems. Based on this framework, we are establishing a structured and advanced environmental management system.

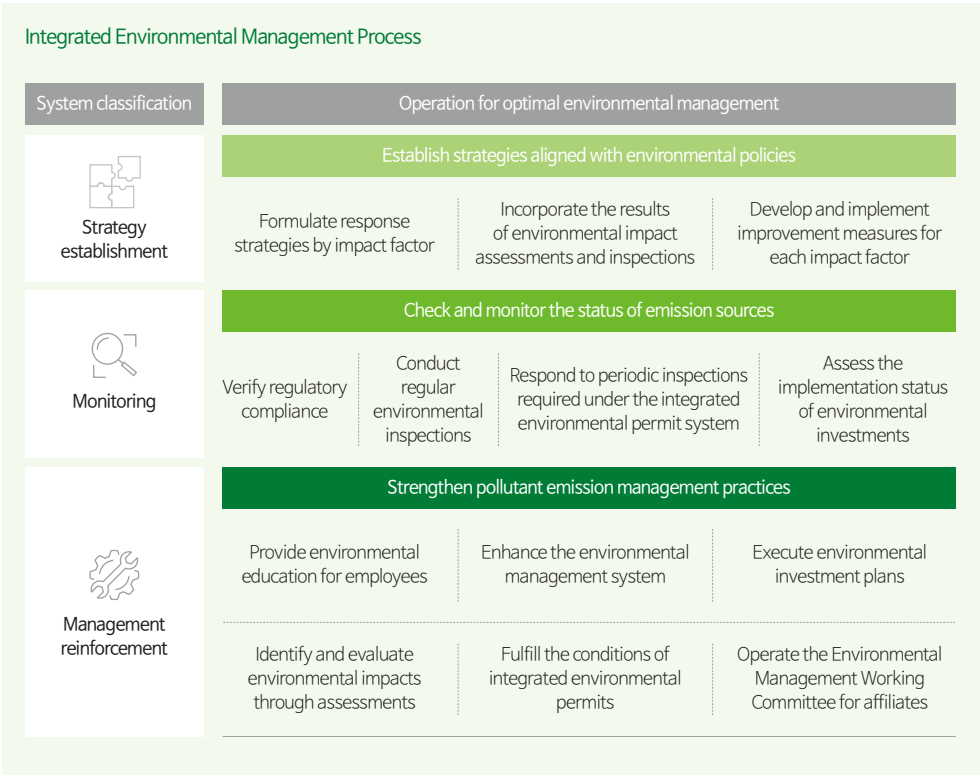


Environmental Pollutants

Strategy

Integrated Environmental Management

Through the acquisition of an integrated environmental permit, HD Hyundai Oilbank has established a management system that comprehensively addresses both environmental and health impacts. This system enables the systematic management of pollutants generated at our business sites and supports continuous investment in advanced environmental facilities to minimize emissions.



Integrated Environmental Permit Compliance System

HD Hyundai Oilbank rigorously complies with all applicable environmental laws and regulations and continues to invest in infrastructure to reduce pollution. To enhance compliance, we are reinforcing our internal systems by disseminating information related to the Act on the Integrated Control of Pollutant-Discharging Facilities with employees and optimizing related work processes.

Improvement Activities Based on Environmental Impact Assessments and Inspection Results

HD Hyundai Oilbank carries out targeted improvement initiatives for each environmental impact factor, informed by environmental impact assessments and regular inspections. In particular, for emission source management, we have introduced advanced pollution control facilities and continuously monitor key emission points. Furthermore, we verify regulatory compliance through periodic environmental inspections.

Establishment of Integrated Environmental Management System

HD Hyundai Oilbank has established an integrated environmental management system for the effective control of environmental pollutants, utilizing the big data platform EQR-180, developed in collaboration with Palantir. The system operates in three phases: emission status check, process monitoring, and report generation. It enables integrated monitoring of air and water quality through Tele-Monitoring Systems (TMS) and tracks process-level details via daily environmental reports. This approach allows us to ensure compliance with environmental standards while simultaneously reducing utility costs. It also supports improvements in fuel and electricity usage and optimizes chemical consumption per unit, relative to emission concentrations. Moreover, the system enhances efficiency in managing large-scale environmental data and minimizes human error.

Outcomes in Integrated Environmental Permit Acquisition

HD Hyundai Oilbank successfully obtained its integrated environmental permit on December 30, 2022. In alignment with this milestone, we are implementing an environmental investment plan totaling approximately KRW 51.8 billion for the period 2022 - 2025, covering key areas such as air pollutants, hazardous air pollutants (HAPs), volatile organic compounds (VOCs), and odor control. These proactive measures served as the basis for our recognition as an "Excellent Business Site" during the 2024 regular inspection under the Act on the Integrated Control of Pollutant-Discharging Facilities.

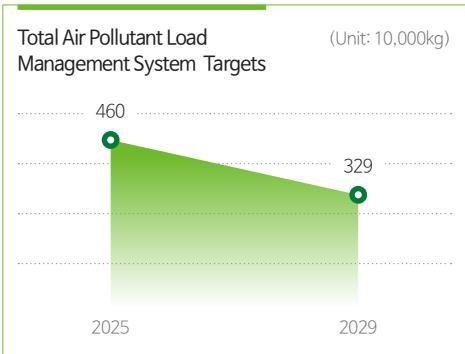
Environmental Pollutants

Strategy

Air Quality Management Framework

Air Quality Management Goals and Performance

HD Hyundai Oilbank rigorously manages air pollutant emissions by establishing internal management standards that exceed legally permitted emission standards. Although we operate within the quotas set by the total air pollutant load management system, we apply more stringent internal standards to major emission facilities. As a result of these efforts, HD Hyundai Oilbank successfully achieved its air quality management goals over the past five years (2020 – 2024), maintaining stable control over air pollutant emissions.



Air Pollutant Emission Reduction Initiatives

HD Hyundai Oilbank is minimizing environmental impact through a range of measures aimed at reducing air pollutant emissions.

Target Substance	Reduction Activities
Sulfur Oxides (SOx)	- Utilization of low-sulfur fuels to minimize SOx emissions - Installation of flue gas desulfurization (FGD) systems capable of removing over 90% of SOx
Nitrogen Oxides (NOx)	30% reduction of NOx emissions through deployment of low-NOx burners - Application of selective catalytic reduction (SCR) systems to reduce NOx - Optimization of chemical injection during seasonal control periods to minimize NOx formation
Dust	- Enhancement of dust removal efficiency through high-performance filtration and dust collection systems - Installation of an additional filtration stage and implementation of regular maintenance
Volatile Organic Compounds (VOCs)	- Early detection and control of VOCs leaks via the LDAR¹⁾ program - Reduction of atmospheric VOCs emissions through VRU²⁾ - Prevention of VOCs leaks at the source through the use of sealed equipment

1) Leak Detection And Repair 2) Vapor Recovery Unit

Air Pollutant Emission Monitoring System

HD Hyundai Oilbank systematically manages air pollutants through the application of self-imposed standards that are more stringent than legal requirements. The concentrations of 20 designated hazardous air pollutants (HAPs) are continuously monitored at the flare stack. When elevated concentrations are detected, the calorific value is adjusted to optimize combustion efficiency. Additionally, real-time monitoring of air pollutants is conducted through stack tele-monitoring systems (TMS). By 2025, we plan to expand our monitoring capabilities by increasing the number of TMS units to cover 48 exhaust outlets.

Fine Dust Emission Reduction Measures

In January 2019, HD Hyundai Oilbank signed the “Voluntary Agreement for Responding to High-Concentration Fine Dust” with the Ministry of Environment and major domestic oil refiners and has since undertaken active initiatives to reduce fine dust emissions. When emergency reduction orders for fine dust are issued, we provide public notifications via electronic signage and intensify chemical input to pollution prevention facilities to further lower emission concentrations. We report our fine dust reduction performance and future plans annually to the Ministry of Environment and will continue to advance our efforts to reduce emissions across all business sites.

Leak Detection and Repair (LDAR) System

HD Hyundai Oilbank operates a robust Leak Detection and Repair (LDAR) system to manage fugitive emissions of volatile organic compounds (VOCs), conducting regular inspections of approximately 270,000 potential emission points to detect leaks. We also conduct trend analyses by year and process to enhance the accuracy and transparency of fugitive emission management.

Recognition as an Excellent Company in Voluntary Air Pollutant Reduction in 2024

HD Hyundai Oilbank has contributed to the reduction of air pollutants and greenhouse gas emissions by installing a Flare Gas Recovery Unit (FGRU), which enables the recycling of flare gas as fuel. In recognition of our continuous investments in prevention infrastructure, such as SCR and FGD systems, and our voluntary reduction efforts, we were awarded the “Certificate of Excellence in Voluntary Reduction” by the Chungcheongnam-do Provincial Government.



Environmental Pollutants

Strategy

Water Quality Management Framework

Water Quality Management Goals and Performance

HD Hyundai Oilbank ensures thorough management of water pollutants by establishing internal standards that exceed legally mandated discharge limits. We apply reinforced internal controls to key pollutants, including total organic carbon (TOC), suspended solids (SS), total nitrogen (TN), total phosphorus (TP), and pH. Furthermore, compliance with these internal standards is continuously verified through real-time monitoring, enabling stable water quality management.

Legal Water Pollutant Discharge Standards and Internal Management Standards

Item	Legally Permissible Standards	Internal Management Standards
TOC	50mg/L	25mg/L
SS	80mg/L	10mg/L
TN	60mg/L	20mg/L
TP	8mg/L	2mg/L
pH	5.8~8.6	6~8.3

Wastewater Quality Management

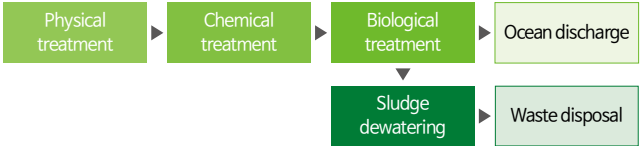
HD Hyundai Oilbank is reinforcing its water quality management efforts by enhancing the performance of its wastewater treatment facilities (WWT). Through a phased improvement plan, we are increasing treatment efficiency and surpassing legal standards by adopting state-of-the-art technologies, thereby significantly reducing pollutant levels in treated effluent. Additionally, by implementing a three-stage chemical selection process—from data analysis to on-site verification—we optimize chemical usage and minimize both environmental impact and operational costs.

Major Improvement Projects (2023 - 2025)

Description	Effects
SSW ¹⁾ Cooler installation	Reduction of influent water temperature
DAF ²⁾ facility enhancement	Removal of suspended substances, such as oil, from influent
TOC Analyzer	Real-time monitoring of water quality
Sludge dewatering facility installation	Improved dewatering efficiency and reduced odor emissions

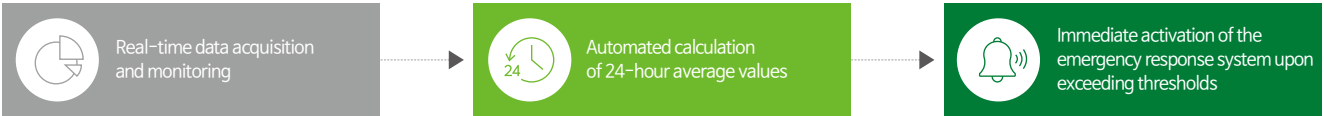
1) Stripped Sour Water 2) Dissolved Air Flotation

WWT Treatment Process



Water Quality Monitoring System

HD Hyundai Oilbank is enhancing operational efficiency at its wastewater treatment plants by implementing a water quality tele-monitoring system (TMS). TMS units installed at discharge outlets monitor key water quality indicators in real time, 24 hours a day, with dedicated personnel managing the system effectively. When pollutant concentrations exceed thresholds, we promptly assess the operational status of treatment facilities and monitoring devices. In parallel with activating the TMS emergency response protocol, the environmental management team immediately notifies the relevant authorities and initiates corrective actions.



Environmental Pollutants

Strategy

Water Resource Management Framework

Water Recycling

HD Hyundai Oilbank implements various water recycling initiatives within its operational processes to enhance water utilization and reinforce its water resource management system.



Boiler water reuse (boiler blowdown)

High-temperature blowdown water discharged during boiler operation is subjected to a dedicated treatment process and subsequently reintroduced into the boiler feedwater system. This practice minimizes the wastage of water resources.



Cooling system reuse

Used process water is retreated and reused as cooling and heating water for heat exchangers. This recycling practice is applied across the entire cooling system, thereby contributing to the efficient use of water resources.

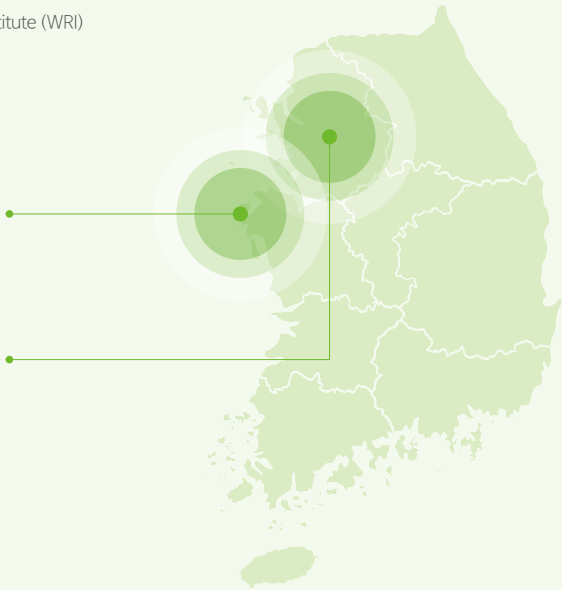
Water Resource Risk Analysis

HD Hyundai Oilbank assesses and manages water stress levels at its major business sites in Korea using the Aqueduct Water Risk Atlas, a global water resource risk mapping tool developed by the World Resources Institute (WRI). We are monitoring the water stress, defined as the ratio of water demand to available supply, at the Daesan Plant and the GRC, which have been identified as key focus areas. The water stress index at these locations ranges from 20% to 40%, placing them in the 'Medium-High' risk category. Currently, no major business sites are classified as having a 'High' or greater water risk levels. HD Hyundai Oilbank will continue to monitor water stress conditions and explore strategies to ensure efficient water use.

Analysis Results of Water Resource Risks at Business Sites

Analysis framework: Aqueduct Water Risk Atlas by the World Resources Institute (WRI)
Analysis target: Two major business sites in Korea (Daesan Plant and GRC)

Medium-high
Daesan Plant in Seosan-si, Chungcheongnam-do
Medium-high
GRC in Seongnam-si, Gyeonggi-do



Environmental Pollutants

Strategy

Hazardous Chemical Management Framework

Hazardous Chemical Purchase and Registration Procedures

HD Hyundai Oilbank enforces rigorous procedures for the purchase and registration of hazardous chemicals to ensure compliance with the Chemical Substances Control Act and the Act on Registration and Evaluation of Chemical Substances. All chemical purchases must undergo a mandatory review process through the SHE system prior to acceptance. Purchasers are required to submit the Material Safety Data Sheet (MSDS) and a Letter of Confirmation (LOC), along with detailed information including product name, country of origin, manufacturer, composition, and concentration. In accordance with the Act on Registration and Evaluation of Chemical Substances, chemicals must be registered or notified prior to manufacturing or importation. Furthermore, the Chemical Substances Control Act mandates the submission of a chemical confirmation statement and a toxic substance import notification. If any changes occur in existing substances or their associated information, a re-evaluation is required. In such cases, procurement personnel must request a new review process for procurement. Through these systematic procedures, HD Hyundai Oilbank ensures the safe management of hazardous chemicals while minimizing legal risks.

Hazardous Chemical Handling Facility Management

HD Hyundai Oilbank operates a refined management system for hazardous chemical handling facilities, encompassing processing units, storage areas, and loading and unloading zones, with the goal of reinforcing operational safety. All facilities are installed and managed in accordance with applicable legal standards. We are also strengthening additional physical safety measures, including the painting of flood walls, installation of valve locking devices, placement of neutralizing agents, and the provision of ventilation and dust control systems. Weekly self-inspections are conducted to ensure consistent oversight of handling facilities, and we continue to enhance our proactive response capabilities to prevent chemical accidents.

Category	Improvements in 2024
Facility standards management	• Implementation of physical safety measures such as flood wall painting, valve locking devices, and placement of neutralizing agents
Inspection frequency	• Weekly self-inspections, alongside inspections conducted by the environmental management organization
Enhancement of safety facilities	• Strengthened inspection of auxiliary systems, including dustproofing, explosion-proof equipment, ventilation systems, and emergency wash stations
Accident prevention initiatives	• Establishment of a proactive response system with a focus on accident prevention (supported by education and training programs)
Role of the environmental organization	• Regular monitoring of overall handling facilities and development of improvement plans

Benzene Concentration Reduction

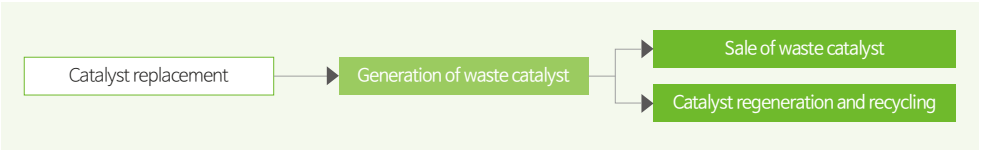
HD Hyundai Oilbank is proactively undertaking initiatives to reduce benzene emissions, with the dual goals of improving air quality and safeguarding the safety of local communities. As a member of the Regional Chemical Safety Council, we have entered into a business agreement with neighboring chemical companies to jointly reduce benzene concentrations in the Daesan region. In collaboration with the Ministry of Environment, the National Institute of Chemical Safety, Seosan City, and local residents, we conduct on-site inspections of benzene-handling facilities and assess their environmental impact on nearby villages. The findings are regularly shared, and ongoing discussions are held to develop and implement effective reduction measures. Furthermore, we are investing in facility upgrades to reduce benzene emissions from shipping operations, including the installation of advanced systems that recover and oxidize vapor generated during the loading and unloading of benzene.

EU REACH Registration

HD Hyundai Oilbank has successfully completed the registration of circular naphtha in accordance with the European Union's REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemicals), as part of efforts to enable market entry into the EU and address customer requirements. As part of this process, we have submitted a comprehensive Safety Data Sheet (SDS) that includes detailed information on the substance's physicochemical properties and environmental impact. We plan to register additional substances upon customer request and are consistently while continuously monitoring regulatory updates from the European Chemicals Agency (ECHA).

Regeneration of Waste Catalysts

HD Hyundai Oilbank is devoted to advancing the development and application of regeneration technologies for waste catalysts generated during the oil refining process in an effort to promote resource circularity and minimize environmental impact. In particular, instead of disposing of spent catalysts used in the desulfurization process, we are achieving tangible improvements in resource efficiency by regenerating these materials for reuse in alternative processes.



Environmental Pollutants

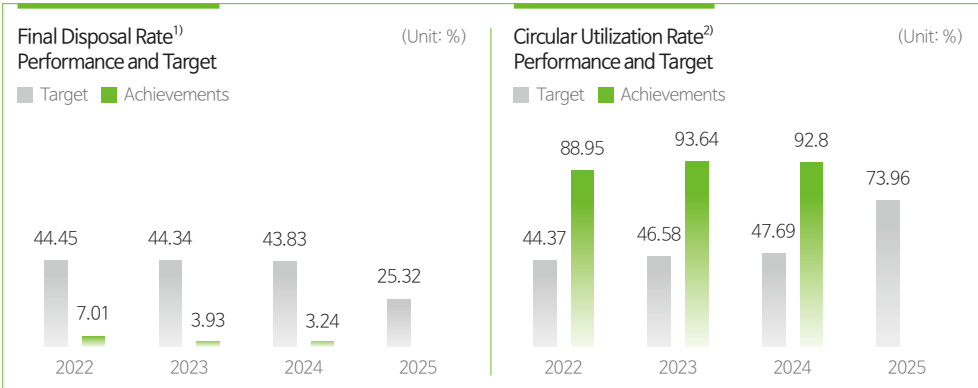
Strategy

Waste Management Framework

The goal of waste treatment is to minimize environmental impact through systematic and safe waste management. HD Hyundai Oilbank has standardized procedures for the collection, transportation, storage, and treatment of waste, and clearly delineated responsibilities and tasks at each stage of the process. This approach enhances operational efficiency and clarifies accountability. Building on this framework, we continuously evaluate methods to reduce and recycle waste generated at our facilities, manage waste more effectively, and operate an integrated system aimed at minimizing total waste generation.

Waste Management Objectives

In accordance with the Act on the Promotion of Transition to a Circular Economy and Society, HD Hyundai Oilbank is annually assigned circular economy targets, including the final disposal rate¹⁾ and the circular utilization rate²⁾. To achieve these targets, we develop and implement a systematic waste management plan. As these targets are established based on improvements over previous performance metrics, we continuously work to improve our final disposal rate and circular utilization rate year by year, in line with increasingly stringent requirements. Through these ongoing efforts, we aim to contribute to the attainment of the national circular economy goals.



1) Final disposal rate = Final disposal amount ÷ [Waste generation amount + Recognized amount of circular resources] × 100
2) Circular utilization rate = [Actual recycling amount + Recognized amount of circular resources] ÷ [Waste generation amount + Recognized amount of circular resources] × 100

Waste Classification and Treatment

HD Hyundai Oilbank ensures strict compliance with legal standards in the classification and treatment of waste and manages the entire process, from generation to transportation, storage, and final treatment, in a systematic manner. All waste generated at our facilities is categorized as either designated waste or general waste and is treated by certified contractors in accordance with applicable laws and environmental standards. Each phase of the waste management process is executed by the responsible department in compliance with established procedures, complemented by routine inspections to prevent environmental incidents such as leakage or spillage. Moreover, we conduct regular training sessions for employees and suppliers to raise awareness and build competency in proper waste handling and management.

During the treatment process, the environmental management organization prioritizes recycling opportunities. When selecting waste treatment service providers, we thoroughly assess legal certifications and technical capabilities to ensure their eligibility. In line with our environmental management policy, we also strictly control the transboundary movement of hazardous waste. When handling hazardous substances such as spent catalysts, we ensure full compliance with both domestic and international laws and regulations. Through this comprehensive management system, HD Hyundai Oilbank is continuously working to minimize environmental impact and implement sustainable waste management.

Waste Treatment Process



Waste Classification and Treatment Method

	Waste classification	
	Designated waste	General waste
Category	Waste oil, waste paint, PCBs, etc.	Waste synthetic resins, waste sand, wastewater treatment sludge, process sludge, inorganic sludge, etc.
Storage	Waste storage facility	Waste storage facility
Treatment	Outsourced treatment (recycling, incineration, landfill, etc.)	Outsourced treatment (recycling, incineration, landfill, etc.)

Environmental Pollutants

Strategy

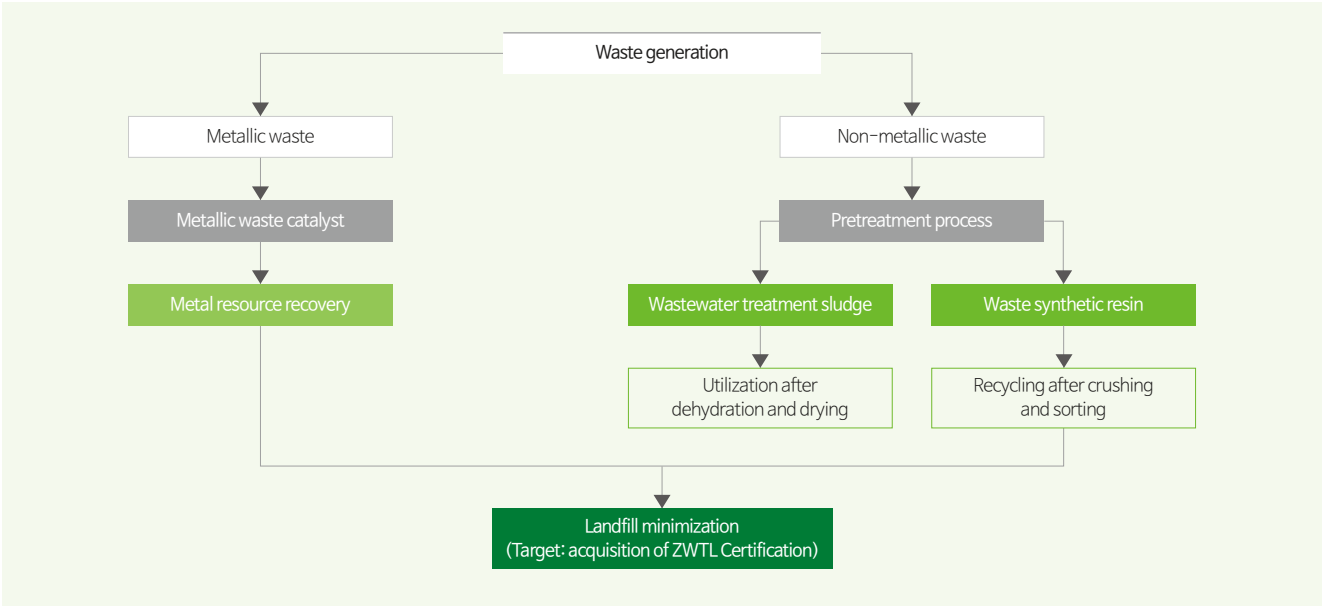
Waste Management Framework

Plan for Acquiring Zero Waste to Landfill (ZWTL) Certification

HD Hyundai Oilbank is pursuing Zero Waste to Landfill (ZWTL) Silver level certification as part of our efforts to strengthen ESG management. This certification, awarded by UL Solutions, a globally recognized safety certification organization, is granted based on the proportion of waste diverted from landfills through recycling at a given business site. Since initiating waste resource recycling efforts in 2014, HD Hyundai Oilbank has steadily improved its recycling rate, from 88.65% in 2021 to 92.8% in 2024. We aim to obtain Silver-level certification in 2026, following a preliminary assessment and formal audit scheduled for 2025. In parallel, we intend to identify additional recyclable waste materials to further enhance our waste recycling initiatives.

Waste-to-resource

HD Hyundai Oilbank is focusing on minimizing waste generation and expanding resource recycling in pursuit of a circular economy. Waste produced during the production process is being increasingly redirected from landfilling and incineration toward recycling and resource recovery. We continue to enhance the recycling rate through process innovations such as metal recovery, refining, and dehydration techniques. Notably, key waste types, including waste synthetic resin¹⁾ and wastewater treatment sludge²⁾, are recycled through specialized external service providers. Additionally, we are exploring the recovery of valuable metals from spent catalysts by engaging qualified recycling companies. Through these initiatives, we are increasing our resource circulation rate and preparing for the successful acquisition of ZWTL certification.



1) Waste synthetic resin: Refers to process waste and used ton bags generated throughout operations.
2) Wastewater treatment sludge: Refers to dehydrated sludge produced during the wastewater treatment process.

Environmental Pollutants

Strategy

Soil Management Framework

Soil Contamination Management at Daesan Plant

HD Hyundai Oilbank’s Daesan Plant conducts systematic management and regular inspections of specified facilities subject to the control of soil contamination under the Soil Environment Conservation Act. Pollution-inducing facilities, such as oil storage tanks, are equipped with preventive measures from the time of installation, and annual soil contamination assessments are conducted to monitor and verify environmental safety. Inspection cycles are segmented based on each facility’s operational duration, specifically at 5, 10, 15, and over 15 years, with immediate leak tests and in-depth investigations conducted upon detection of any anomalies. If contamination is confirmed, remedial actions such as soil remediation work are undertaken, followed by continuous monitoring through groundwater observation wells to ensure long-term soil safety.

Soil Contamination Management at Gas Stations

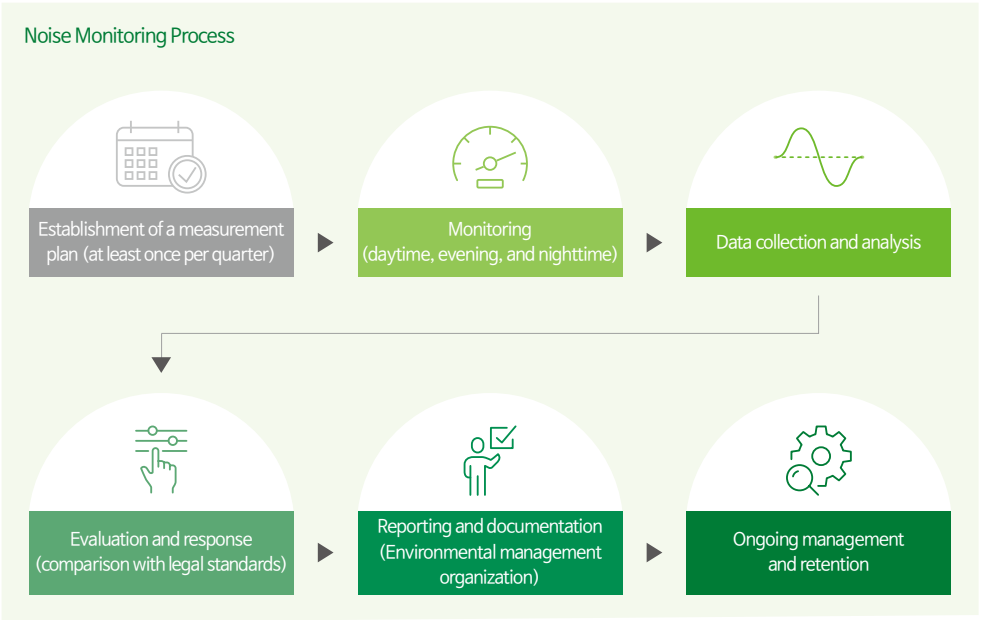
HD Hyundai Oilbank conducts annual pipeline leakage inspections at older gas stations by applying internal management criteria that exceed the legal standard inspection interval of eight years. These proactive measures aim to prevent soil contamination. In the event of a confirmed leak, immediate reporting and remedial actions are undertaken. Directly-managed gas stations are equipped with the patented leak detection technology ‘Hyundai Homes.’ Furthermore, to minimize environmental impact and enable swift emergency response in the event of a leakage accident, we have replaced underground submerged fuel pumps and piping with above-ground pump systems to preemptively eliminate soil contamination risks.

Marine Management Framework

HD Hyundai Oilbank operates a structured marine environmental management framework to prevent marine pollution and enable prompt response. Marine patrols are conducted twice daily in the vicinity of the Daesan Plant, and an immediate response system is activated upon detection of any anomalies, such as oil spills. In the event of a spill, the accident response team is promptly dispatched to implement containment measures, including the deployment of oil booms, source control, and oil recovery operations. These actions are carried out in coordination with relevant authorities to minimize damage. To further enhance prevention and response capabilities, we conduct internal training sessions, biannual joint public - private response drills, and regular educational programs for marine facility personnel.

Noise Management Framework

HD Hyundai Oilbank implements comprehensive noise management in full compliance with applicable laws and regulations, aiming to minimize the impact of operational noise on surrounding communities. We conduct regular noise measurements at major points within the plant in cooperation with external experts, and adhere strictly to legal standards. Particular emphasis is placed on managing and controlling noise levels to ensure full compliance with permissible emission limits.



Environmental Pollutants

Strategy

Odor Management Framework

HD Hyundai Oilbank has implemented comprehensive odor management systems and adopted a range of technical measures to mitigate odors that may arise during plant operations. We are ensuring efficient and forward-looking odor management in accordance with established internal odor management standards.

Odor Monitoring and Reduction Measures

We regularly monitor both complex and designated odors at site boundaries and assess complex odor concentrations at emission outlets. The data collected are used to identify odor sources and inform the development of appropriate mitigation measures.

Application of Odor Reduction Technologies

	Closed-loop process systems	Processes with high potential for odor generation are operated in closed systems to fundamentally prevent the external release of odorous substances.
	Operation of odor control facilities	Advanced odor treatment technologies, such as scrubbers, RTOs, and adsorption towers, are installed to eliminate odorous substances prior to discharge.
	Intensive management of designated odorous substances	Emissions of 22 designated odorous substances are controlled in compliance with regulatory discharge standards.
	Periodic measurements by accredited agencies	External specialized agencies are engaged to conduct regular odor measurements, ensuring that concentrations remain below the prescribed thresholds.

Biodiversity Management Framework

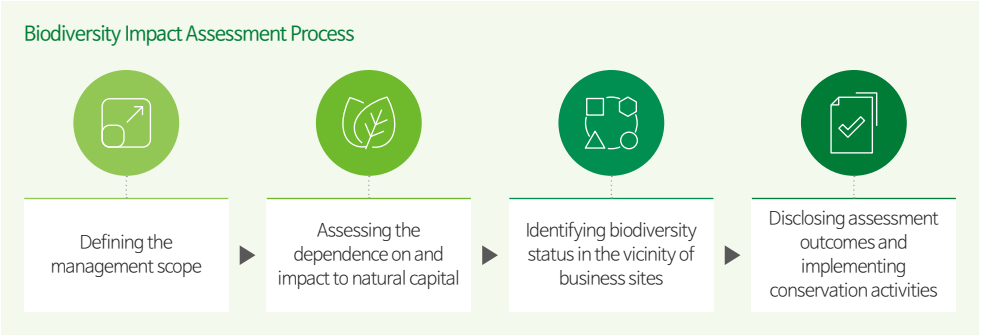
Biodiversity Protection Policy

[View the full text ↗](#)

HD Hyundai Oilbank recognizes the significance of biodiversity conservation and established its Biodiversity Protection Policy in 2024. The policy aligns with international frameworks, including the United Nations Environment Programme (UNEP)'s Convention on Biological Diversity and the International Union for Conservation of Nature (IUCN)'s Guidelines for Applying Protected Area Management Categories. Guided by these frameworks, we are committed to conducting biodiversity impact assessments and promoting biodiversity conservation activities to minimize adverse effects on biodiversity and foster a positive environmental impact.

Biodiversity Impact Assessment

HD Hyundai Oilbank conducts biodiversity impact assessments in accordance with the TNFD LEAP approach. These assessments involve the identification of risks by analyzing the company's dependence on and impact to natural capital, with a particular focus on its industrial complexes and operational sites. The findings of these assessments are reflected in the formulation of future plans for risk mitigation and biodiversity protection.



Environmental Pollutants

Strategy

Biodiversity Impact Assessment Results

HD Hyundai Oilbank systematically assesses the biodiversity status surrounding its two principal business sites, taking into account the entire value chain based on the TNFD LEAP framework. By consulting the International Union for Conservation of Nature (IUCN) Red List and the endangered species list provided by the Ministry of Environment, we have surveyed the presence and distribution of protected species in nearby areas and identified major areas designated for biodiversity protection.

In addition, to deepen our understanding of the potential ecological impacts associated with oil refining, HD Hyundai Oilbank has quantitatively analyzed its dependency on and influence over natural capital using the ENCORE Tool. The analysis identified 12 ecological indicators related to natural capital dependency, such as water purification and soil/sediment retention, linked to the oil refining industry. With respect to operational impacts, seven ecosystem stressors were recognized, including environmental disturbances (e.g., noise, light) and emissions that may affect water and soil quality.

Based on this assessment, we intend to implement continuous monitoring of key biodiversity indicators and develop preventative and strategic response measures to mitigate biodiversity-related risks. We will continue to monitor and manage changes in species distribution and further advance our biodiversity impact assessments to enhance the transparency of biodiversity-related disclosures.

Protected Species and Protected Areas Based on IBAT Classification¹⁾

(As of April 2025/
within a 50 km radius)

Category		Daesan Plant	GRC
IUCN ³⁾	Critically Endangered	5	5
	Endangered	39	39
	Vulnerable	54	55
	Near Threatened	42	41
	Least Concern	750	810
WDPA ⁴⁾	National Protected Area	68	128
	Ramsar Wetland	2	2
KBA ⁵⁾	Important Bird And Biodiversity Areas	0	0

Endangered Species Identified by the Ministry of Environment²⁾

(based on administrative districts)

Category	Daesan Plant	GRC
Birds	35 species (Golden eagle, yellow-billed egret, black-faced spoonbill, etc.)	Bee hawk, bird hawk, Eurasian hobby, owl, white-throated plover
Mammals	Otter, leopard cat	Leopard cat, flying squirrel
Amphibians	Boreal digging frog	Boreal digging frog
Terrestrial plants	Ranunculus kazusensis	Euryale ferox
Insects	Copris tripartitus Waterhouse	-
Invertebrates	Milky fiddler crab	-
Total	41	9

Oil & Gas Refining & Marketing Sector’s Dependence on Natural Capital and Associated Impacts⁶⁾

Category	Key Ecological Indicators	Rating
Dependency (12)	Water purification services	High
	Soil and sediment retention services	Normal
	Water flow regulation services	Normal
	Flood mitigation services	Normal
	Storm mitigation services	Normal
	Local (micro and meso) climate regulation services	Low
	Air filtration services	Low
	Solid waste remediation	Low
	Water supply	Low
	Other regulating and maintenance service – Dilution by atmosphere and ecosystems	Low
	Global climate regulation services	Very low
	Noise attenuation services	Very low
Impact (7)	Disturbances (e.g., noise, light)	Very high
	Emissions of toxic pollutants to water and soil	Very high
	Non-GHG air pollutants	High
	GHG emissions	Normal
	Generation and release of solid waste	Normal
	Area of land use	Low
	Volume of water use	Low

1) Source: IBAT 2) Source: Statistics on Endangered Wildlife, Ministry of Environment and National Institute of Ecology 3) International Union for Conservation of Nature
4) World Database on Protected Areas 5) Key biodiversity areas 6) Source: Encore

Environmental Pollutants

Strategy

Biodiversity Conservation Activities

Biodiversity serves as the foundation for sustaining the health and resilience of the Earth’s ecosystems and constitutes a vital asset for the survival of all living organisms, including humans. The diversity of species and their sophisticated ecosystems provides essential services that support human life, including climate regulation, water and air purification, and the supply of food and medicinal resources. However, biodiversity is in rapid decline due to climate change, industrial development, and ecosystem degradation. Addressing these issues has become a critical responsibility not only for governments but also for corporations.

HD Hyundai Oilbank fully acknowledges the critical importance of biodiversity and systematically identifies ecological risks across all stages of its business operations. We are committed to undertaking practical and sustained efforts to conserve biodiversity and restore damaged ecosystems. In particular, we recognize the ecological value of the regions surrounding its operational sites and collaborate closely with a variety of stakeholders, including local communities and environmental organizations, to identify environmental challenges and jointly develop solutions. These efforts reflect more than corporate social responsibility—they demonstrate our genuine commitment and role as a responsible member of the ecosystem. Going forward, HD Hyundai Oilbank will continue to enhance its biodiversity conservation efforts through active participation in both domestic and international partnerships.

Signing of MOU with Seongnam City for Mutual Cooperation in the ESG Environmental Sector

HD Hyundai Oilbank entered into a memorandum of understanding (MOU) with Seongnam City, home to the GRC, to strengthen mutual cooperation in the ESG environmental domain. The agreement was jointly signed by HD Hyundai Oilbank, three HD Hyundai affiliates (HD Korea Shipbuilding & Offshore Engineering, HD Hyundai XiteSolution, and HD Hyundai Electric), and five Seongnam-based enterprises. Through this partnership, the parties aim to establish a collaborative framework for conserving the local environment and creating sustainable value within the community.



Installation of Artificial Nests to Support the Flying Squirrel Population

In collaboration with the MaengSan Eco Center in Seongnam City, HD Hyundai Oilbank is undertaking biodiversity protection activities to preserve the habitat and increase the population of flying squirrels, which are designated as Class II endangered wild animals and natural monuments. Since 2022, based on habitat traces, we, together with affiliates under HD Hyundai, have installed approximately 40 artificial nests in the Maengsan area.

Monitoring of Flying Squirrel Artificial Nests

In 2024, HD Hyundai Oilbank installed artificial nests for flying squirrels in Maengsan and conducted monitoring twice a month to support a suitable habitat for the species. These efforts aim to create a stable environment for flying squirrel habitation. In 2025, we continue monitoring activities in collaboration with relevant institutions.



Ecosystem-Disrupting Plant Removal Event

In October 2024, HD Hyundai Oilbank organized a plant removal campaign in the Tancheon area of Seongnam City targeting invasive species that disrupt the local ecosystem, such as great ragweed and Japanese Hop. This initiative was joined by employees of the GRC and personnel from affiliated companies. Participants shared the importance of protecting biodiversity within the local environment.

Environmental Pollutants

Strategy

Environmental Education and Engagement

HD Hyundai Oilbank implements a range of practical training programs to strengthen environmental management capabilities. These regular programs include not only hands-on training for environmental engineers, but also comprehensive, systematic modules on topics such as marine pollution prevention and company-wide chemical handling. In particular, joint training sessions and emergency response drills are conducted in collaboration with suppliers to enhance collective environmental responsiveness. These initiatives contribute to the professional development of environmental personnel and improve the on-site response capabilities.

Total environmental
education hours

2,579_{hours}

Number of participants
in environmental training

(Including duplicate counts for individuals
who completed multiple training sessions)

2,551_{employees}

Company-Wide Chemical Substance Education

HD Hyundai Oilbank conducts biannual “Company-Wide Chemical Substance Training” for all employees at the Daesan Plant to enhance their knowledge of chemical substance management, emergency response protocols, and the proper use of personal protective equipment. The program targets not only on-site personnel who handle chemicals directly, but also managers overseeing chemical operations and related facilities, with a focus on promoting safe handling practices and enhancing capabilities to prevent chemical-related incidents. In 2024, a total of 2,421 employees participated in the training, which has become a key initiative in fostering a safe workplace environment.



Employee Participation Campaign

In November 2024, HD Hyundai Oilbank conducted an upcycling campaign titled “Making Paper Canvases of Hope,” repurposing discarded cardboard boxes. Approximately 40 employees participated by handcrafting paper canvases, which were donated, along with art supplies, to local children’s centers. This initiative was conducted in partnership with the social enterprise “LOVERE:PAPER” and included an educational program to raise awareness on senior waste collectors.

Upcycling Experience Program

HD Hyundai Oilbank has implemented environmental education and upcycling experience programs to improve employees’ awareness of environmental issues and strengthen their practical competencies. In particular, in collaboration with the Pangyo Environmental Ecology Center, employees participated in educational sessions on sustainable consumption and engaged in a hands-on workshop to create leather wallets using scrap leather, deepening their understanding of resource circulation.



Agreement to Reduce Disposable Products

HD Hyundai Oilbank has joined the “Agreement to Reduce Disposable Products,” initiated by Chungcheongnam-do, to help minimize the use of single-use items, encourage the adoption of reusable containers, and support the transition toward a circular economy. Through this initiative, we are actively applying ESG principles in our operations, promoting resource conservation, and contributing to the achievement of carbon neutrality.



Environmental Pollutants

Risk Management

Environmental Impact Review and Legal Compliance Framework

Environmental Impact Review

HD Hyundai Oilbank operates a sophisticated environmental impact review system to prevent environmental risks and ensure full compliance with applicable legal requirements prior to the commencement of business activities. The scope of environmental impact assessments includes air quality, water quality, waste, marine pollution, and soil. Evaluations are conducted not only for large-scale facility expansions and the introduction of new processes at the Daesan Plant, but also for minor process modifications. In addition, the review process adopts the ISO 14001 framework and addresses both normal operations and potential abnormal or emergency situations. Key environmental aspects are registered in the SHE (Safety, Health, Environment) system and used to formulate improvement plans. Stakeholder concerns and social impacts are also reflected in the evaluation process, and the registration and review procedures, aligned with ISO 14001, help ensure the minimization of environmental risks.



Legal Compliance Inspection

HD Hyundai Oilbank systematically organizes and manages applicable environmental laws and regulations for each business site to ensure regulatory compliance. Compliance inspections are conducted on a quarterly basis to proactively identify and address potential violations and associated risks. The results of these inspections are reported to the management, and where necessary, corrective action plans are promptly developed and implemented. Through these structured and continuous compliance management activities, we are steadily enhancing our adherence to environmental regulations.

Environmental Accident Emergency Response Framework

Environmental Accident Management Regulations

HD Hyundai Oilbank has established and operates robust accident management regulations to ensure a prompt and systematic response in the event of environmental accidents. An environmental accident is defined as a pollution event caused by the release of hazardous chemicals, flammable substances, waste, or similar materials. In the event of an accident, an initial investigation is conducted, and a report is submitted within 24 hours. The department responsible for accident management determines the severity of the accident and, if required, convenes an accident investigation team to identify root causes and develop recurrence prevention measures. All reports and response records are documented and permanently stored within the SHE system. These records are regularly reviewed to verify the implementation of corrective actions, and accident case studies are shared across the organization to prevent the recurrence of similar events.

Accident Response Process

	Accident occurrence	Analysis of the accident type
	Initial response	Initial measure - Implementation of emergency response measures and operation controls - Reporting, notification, and initial report preparation
	Accident investigation	Implementation of the investigation - Determination of severity level - Root cause analysis and preparation of a detailed investigation report
	Preventive measures against recurrence	Follow-ups - Development of recurrence prevention plans and reporting of implementation status - Accident case sharing and awareness training

Environmental Pollutants

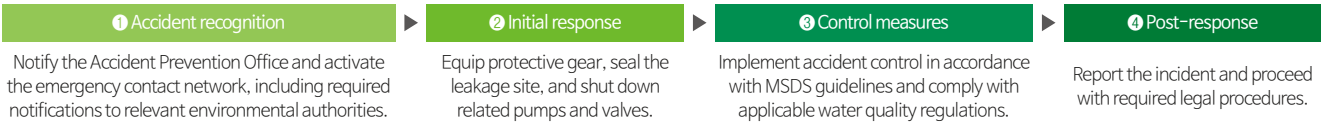
Risk Management

Environmental Accident Emergency Response Framework

Chemical Accident Emergency Response Framework

HD Hyundai Oilbank reinforces its emergency response system to prevent and contain accidents involving hazardous chemicals. Aiming for rapid response and minimization of damages, we have established detailed response procedures in accordance with relevant regulations and conduct periodic inspections and improvement initiatives.

Hazardous Chemical Leakage Accident Response Procedure



Resident Evacuation Plan

In the event of a hazardous chemical leak, the potential impact area is determined through a comprehensive assessment that takes into account factors such as the volume of the leak, duration, and weather conditions. Based on this assessment, HD Hyundai Oilbank has established resident evacuation plans to safeguard the local community.

Evacuation Method

- 1 Deliver emergency alerts through landlines, village broadcasting, and emergency text transmissions.
- 2 Gather at the village hall and proceed to an external evacuation location via car or shuttle bus, depending on the scale of the accident. If one's home is closer to an external evacuation area outside the affected zone, residents can proceed to their respective homes.
- 3 Listen to disaster broadcasts via radio, television, etc.

Evacuation Location (Seosan City)

Scope of influence	Within a 5km range		Over a 5km range	
	Evacuation location			
	Daesan Elementary School/ Daesan High School		Seosan Middle School/ Seosan High School	

Prevention Infrastructure and Future Plans

Prevention Infrastructure	Future Plans
Inspection system: Conduct self-inspections, process-specific inspections, and emergency inspections at least once per year. Training plan: Conduct training exercises for hazardous chemical leaks at least annually. Personal protective equipment: Secure and manage appropriate PPE, including protective clothing, gas masks, and gloves tailored to each process. Evacuation plan: Maintain a two-stage evacuation route for both employees and local residents.	Provide training and facility upgrades to achieve the goal of zero accidents. Strengthen information-sharing networks among industries in the Daesan region and local governments.

Marine Accident Emergency Response Framework

HD Hyundai Oilbank's emergency response framework for marine accidents is based on a comprehensive system designed to minimize environmental damage and ensure swift recovery in the event of hull accidents or marine pollution. This system is activated in phases in accordance with ship safety management protocols and marine pollution control regulations, depending on the nature of the incident (e.g., collision, sinking, oil spill).

Emergency Response Procedures for Marine Accidents

Accident Type	Description	Response Measures
Hull accident	Collision, sinking, fire, etc.	Immediate activation of the emergency contact network, accident reporting, and execution of response measures.
Human casualty	Serious injuries onboard	Accident reporting → emergency response → activation of reporting protocol.
Marine pollution	Leakage of crude oil or petroleum products	Deployment of oil containment fences and vessels to prevent pollution spread.

Marine Pollution Accident Response Flow



Environmental Pollutants

Metrics & Targets

Air Pollutant Emission Target

HD Hyundai Oilbank has established and applies internal air pollutant emission standards that are more stringent than those permitted by law. We set internal management targets based on quotas allocated under the total air pollutant load management system and manage emissions accordingly. In particular, we apply stricter standards to emission facilities than the legally permissible limits as part of our voluntary pollution reduction efforts. As a result, we have consistently achieved our air quality management targets for five consecutive years (2020 - 2024), maintaining stable control over air pollutant emissions.



Waste Circular Utilization Rate Target

HD Hyundai Oilbank is pursuing key goals in waste management, including raising the waste recycling rate, as part of efforts to advance a circular economy. To achieve these goals, we have established a structured waste management framework, monitor progress at each stage, and evaluate overall performance. In particular, we are actively exploring diverse methods for waste recycling to enhance the circular utilization rate. Simultaneously, we are dedicated to technological innovation and operational optimization to achieve measurable and substantive outcomes. Consequently, we have consistently exceeded our annual circular utilization rate targets. In the coming years, we will continue to strengthen our waste recycling efforts and promote a circular economic system.



SOCIAL

GREEN VALUE WITH PEOPLE & SAFETY

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Health and Safety

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Employees

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Human Rights
Management

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Suppliers

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Customers

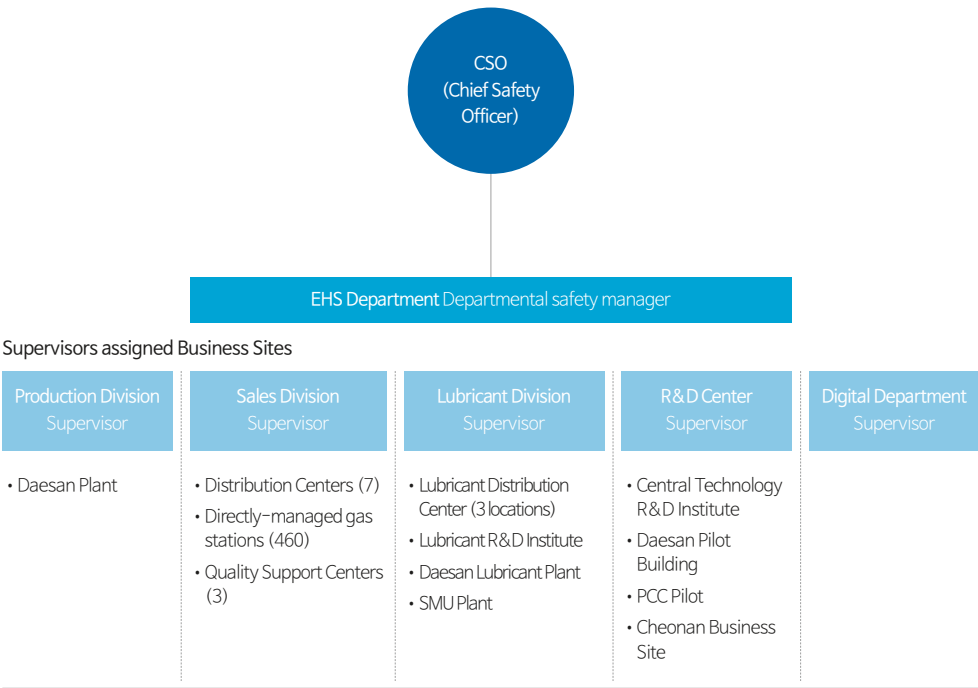
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Local Community

Health and Safety

Governance

Implementation Organization

The Chief Safety Officer (CSO) oversees and provides support to the Health and Safety supervisors assigned to each business site through the EHS Management Office, ensuring the proper execution of safety and health-related duties.



Health and Safety Management Policy

[View the full text](#)

HD Hyundai Oilbank considers safety and health as top priorities for sustainable growth. Accordingly, we seek to fulfill our social responsibilities with the aim of minimizing potential negative impacts across all business operations.

Safety and Health Management Vision

Vision	Realization of Safety Well-Being Company	
Goal	Zero Safety Accidents	
Strategy	Advanced safety consciousness	Internalization safety behavior
Key Initiative	- Reducing lost workdays company-wide through the establishment of an autonomous safety culture - Strengthening safety leadership among organizational leaders - Introducing smart and advanced safety equipment while training employees in its use	- Overhauling the integrated emergency response and information-sharing system among affiliates - Providing legal compliance consulting for suppliers - Establishing safety organizations and operating committees by division

Health and Safety

Governance

Communication Channel

Employee Communication

Occupational Health and Safety Committee	The committee convenes regular meetings between employee and employer representatives to deliberate and decide on critical matters concerning workplace safety and health.
PSM Proposal System	HD Hyundai Oilbank operates a proposal system during July, designated as Occupational Safety and Health Month, to encourage employee participation in Process Safety Management (PSM). Employees are invited to submit proposals related to PSM regulations, on-site operations, business conditions, and potential improvement measures.

Communications with Suppliers and Visitors

Supplier Health and Safety Council	HD Hyundai Oilbank is enhancing communication with suppliers by convening the Supplier Safety and Health Council on a monthly basis for suppliers engaged in cooperative activities exceeding two months annually. In 2024, a total of 45 requests were submitted by suppliers, of which 43 were addressed, resulting in a response rate of 96%.
Mobile Communication Platform	As of December 2024, HD Hyundai Oilbank has been managing the collection and resolution history of safety-related suggestions and feedback from suppliers, workers, and visitors to the Daesan Plant via mobile QR code-based submissions. In 2024, a total of 10 cases were received, all of which were duly addressed (100% resolution rate).

Communication with Affiliates and Neighboring Companies

HDO Group Health and Safety Council	HD Hyundai Oilbank is working to maintain consistently high standards of safety and health while establishing an integrated emergency response framework through quarterly council meetings with its affiliates.
Daesan Petrochemical Safety Council	The Daesan Petrochemical Safety Council, comprising major plants within the Daesan Petrochemical Complex, serves as a platform for discussing major accident prevention efforts and safety management improvement plans across participating companies.

Health and Safety Performance Management

HD Hyundai Oilbank incorporates the SHE Index, a key safety and health performance indicator, into the personnel evaluations (KPI, MBO) of executives and team leaders. This approach aims to strengthen the overall safety and health management framework by linking performance to compensation, thereby reinforcing safety leadership and raising awareness through clear incentives.

Safety Index Pool	
Selection of key Performance index (each year)	
▼	
(Example) Index Item	Allocated score
Safety and environmental incidents	40
PSM	20
Improvement measures	10
Mandatory safety rules	10
Safety culture	10
Safety and health education	10

Occupational Health and Safety Management System (ISO 45001)

HD Hyundai Oilbank has established a systematic occupational health and safety management system by obtaining ISO 45001 certification, an internationally recognized standard for occupational health and safety.



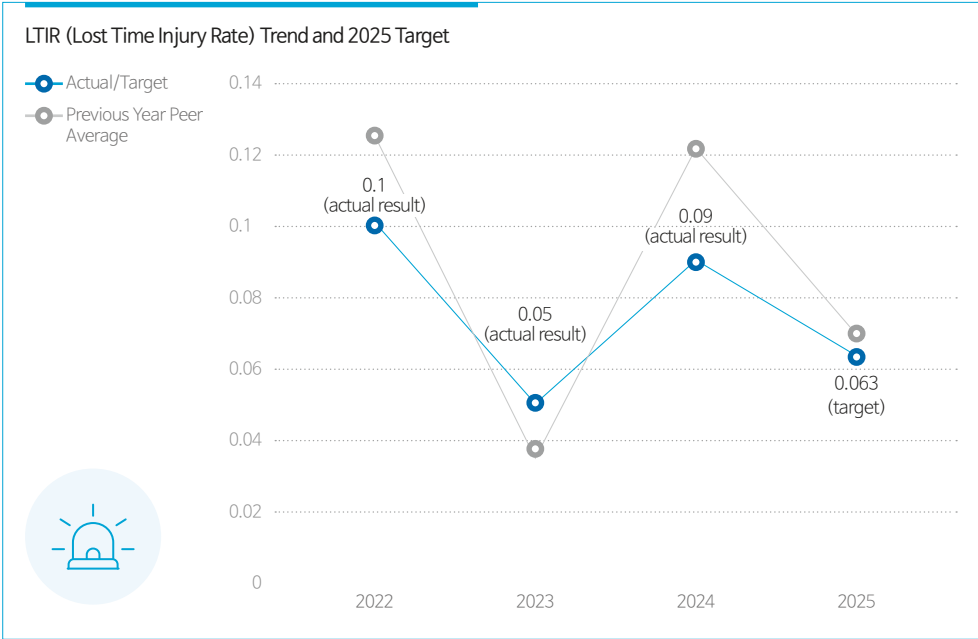
ISO 45001 certification

Health and Safety

Strategy

Mid- to Long-Term Occupational Health and Safety Management Goals

Under the vision of becoming a Safety Well-Being Company, HD Hyundai Oilbank has set a quantitative target to reduce the Lost Time Injury Rate (LTIR) by half by 2030 compared to the 2022 level. To achieve this goal, we are implementing four key strategies: establishing a self-regulated prevention system, applying smart safety technologies, spreading HD Hyundai Oilbank’s unique safety awareness and culture, and restructuring its safety management governance. As a result of these efforts, the company has maintained an LTIR below its annual targets. In 2025, the focus will be placed on internalizing an autonomous safety culture, enhancing safety management capabilities, and supporting the safety management of suppliers, as part of its continued progress toward the long-term goal.



Achievement Strategy

Establishment of an Autonomous Safety Culture

HD Hyundai Oilbank recognizes that every employee plays a vital role in building a strong safety and health foundation. To embed a culture of safety throughout the organization, we offer function-specific safety and health training programs and implement a tailored incentive system aligned with employee levels.

Safety coaching training for executives and team leaders

CSO Safety Award System

Promotion of Suspension Right

Enhancement of Safety Management Abilities

HD Hyundai Oilbank has further systematized the management of high-risk operations by conducting job risk analyses (JRA) in advance for all work. Furthermore, we continue to promote facility safety diagnostics and improvements, while actively introducing advanced safety equipment to mitigate hazardous conditions in the workplace.

Enhancement of risk assessments

Strengthening of high-risk work management and Advanced voluntary inspection system

Deployment of advanced safety equipment

Support for Suppliers' Safety Management

HD Hyundai Oilbank endeavors to grow together with its suppliers by jointly placing the utmost importance on safety. To reinforce the safety capabilities of our suppliers, we are actively implementing a wide range of initiatives, including the provision of financial support for appointing safety managers, the establishment of a safety management system (PSHE) for suppliers, and the delivery of safety mentoring and consulting programs.

Financial support for appointment of safety managers

Establishment of safety management systems for suppliers

Safety mentoring and consulting services for suppliers

Health and Safety

Strategy

Internalizing Safety Culture

Employee Safety Capacity Building Programs

1:1 Safety Coaching for Executives

The critical role of managerial safety leadership in establishing and maintaining autonomous safety systems is gaining increasing recognition. In line with this understanding, HD Hyundai Oilbank has implemented one-on-one intensive safety coaching programs tailored to each executive's area of responsibility, such as production, facilities, or inspection, and aligned with the specific characteristics of their respective departments.

Safety Leadership Training for Leaders

HD Hyundai Oilbank maintains a targeted HD Hyundai Oilbank maintains a targeted training curriculum designed to strengthen supervisors' awareness of their safety roles and responsibilities, while also enhancing communication between leadership and employees. This program fosters a comprehensive safety mindset and equips leaders with practical strategies to effectively motivate their members.

Coaching details Step

- 1 Identification of high-risk tasks
- 2 Pre-recognition of risk factors
- 3 On-site observation and issue verification
- 4 Follow-up (implementation of improvements)



Safety Leadership Training

Safety Mentoring Program for Junior Employees

To bridge the experience gap among newer employees in operations and facilities, HD Hyundai Oilbank operates a mentoring program in which senior personnel with extensive on-site experience and safety expertise provide practical instruction and guidance. Mentors offer comprehensive training on safety regulations, safe work procedures, and precautions for high-risk tasks, along with opportunities for hands-on experience.

Experiential Safety Training

HD Hyundai Oilbank leverages virtual reality (VR) technology to reproduce potential workplace scenarios, enabling employees to directly experience high-risk tasks such as heavy lifting, work at height, and electrical operations. This training enhances their ability to identify risk factors present in actual work environments.

Safety culture
level assessment results

2020 52points ▶ 2023 67points ▶ 2026 (Target) 70points

Operation of the CSO Safety Award Systems

To encourage voluntary engagement in safety activities and promote a safety-first culture, HD Hyundai Oilbank operates various safety award systems.

Safety Award Systems

Safety Meritorious Individual

Awarded for excellence in accident prevention and response, and safety management (including suppliers)

Safety Winner

Awarded to departments with outstanding SHE Index (safety KPI) scores and exemplary company-wide safety practices

Safety Partner

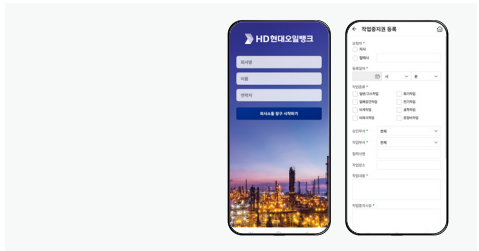
Awarded to suppliers that demonstrate exemplary compliance with company safety regulations and active participation in inspections and meetings

PSM Key-Man

Recognizes departments and relevant personnel with outstanding performance in process safety management (PSM)

Promotion of Suspension Right

HD Hyundai Oilbank actively promotes a "Suspension Right" system to foster a safety culture in which employees and supplier workers are empowered to immediately halt operations if unsafe conditions are identified. To facilitate usage and tracking, a mobile-based system was launched in the latter half of 2024, enabling streamlined management of work stoppage records.



28

2024
Work suspension history



Health and Safety

Strategy

Improving Safety Management Capabilities

Enhancement of Risk Management

Implementation of Job Risk Analysis (JRA)

HD Hyundai Oilbank systematically performs job risk analyses (JRA) for all tasks subject to work risk assessments to ensure comprehensive coverage and avoid omissions. Tasks are categorized based on their level of significance and managed accordingly under intensive oversight.

Reinforcement of Autonomous Safety Management in Process Safety Management (PSM)

Through the establishment and operation of the PSM Key-Man Task Force (TF), HD Hyundai Oilbank has centralized its company-wide PSM response capabilities. This initiative has enhanced our process safety management proficiency by fostering internal PSM auditors and delivering specialized coaching to designated PSM Key Personnel.

Digitalization of Hazardous Machinery and Equipment Inventory

HD Hyundai Oilbank has improved the effectiveness of safety inspection management by creating a computerized inventory of hazardous machinery and equipment. The registry includes key information such as equipment identification numbers, inspection intervals, and applicable laws. This data is integrated with the company's MR (Modification Request) system, facilitating robust change management and thorough pre-operation safety inspections.

Advancement of Voluntary Inspections for High-Pressure Gas

To enhance the capacity to identify and address potential risks at worksites, HD Hyundai Oilbank has expanded the scope of voluntary inspection items, implemented on-site training for inspection methods, and carried out joint voluntary inspections.

Strengthening High-Risk Work Management

Enhancement of Rescue Training for High-Risk (Suffocation) Areas

Focusing on sites with a high risk of suffocation, HD Hyundai Oilbank has expanded rescue training to include not only supplier personnel and field supervisors but also approval and supervisory departments, thereby bolstering its initial emergency response capabilities.

Assignment of Dedicated Safety Supervisors for High-Risk Tasks

Dedicated safety supervisors have been deployed to oversee operations with a high probability of severe accidents, such as catalyst replacement work. In addition, Third-Party Inspectors (TPIs) and internal safety supervisors are assigned to help close potential gaps in safety oversight.

Deployment of Advanced Safety Devices

Introduction of Customized Hearing Protectors

To protect employees' hearing, HD Hyundai Oilbank has introduced customized hearing protectors manufactured using 3D technology based on individual ear impressions. These protectors offer excellent sound insulation while ensuring comfort and a secure fit. Designed to selectively block out noise while allowing human voices to pass through, they contribute to creating a safer and more comfortable working environment.

Hearing Protector



Production of Fire Safety Training Videos

To enhance understanding of fire safety equipment, HD Hyundai Oilbank has produced and distributed training videos detailing the types, installation status, and operating methods of fire protection systems by process and production facility. These videos help improve emergency response capabilities in the event of an incident.

Fire Safety Training Video



Development of PSM Chatbot Platform

HD Hyundai Oilbank has developed the 'PSM Skill Up Chatbot,' an AI-powered learning platform designed to strengthen process safety management (PSM). This platform combines the company's internal PSM regulations and data with Palantir's large language model (LLM) technology to offer interactive, interview-style learning for employees. The chatbot has already contributed to improved performance in PSM evaluation interviews conducted in 2024. Looking ahead, HD Hyundai Oilbank plans to expand the use of AI-driven assessments to provide job-specific, customized training, further optimizing process safety management.

Focus on

Health and Safety

Strategy

Support for Supplier Safety Management

Suppliers Legal Compliance Diagnosis

HD Hyundai Oilbank conducts semi-annual evaluations of suppliers to assess their compliance with the Serious Accidents Punishment Act and the Occupational Safety and Health Act. These evaluations are intended to raise the overall level of legal compliance among suppliers and promote accident prevention by facilitating the horizontal sharing of exemplary practices across the supply network. Specifically, a preliminary review is conducted annually for suppliers with five or more resident employees at the Daesan Plant. This review is based on self-inspection checklists submitted semi-annually by the suppliers in preparation for the consulting process. Key consulting activities include sharing recent enforcement trends of the Serious Accidents Punishment Act, providing guidance on the legal foundations of safety and health management systems, proposing improvements, and diagnosing compliance with safety and health-related legal requirements.



Support for Safety Management Expenses and Equipment for Suppliers

Financial Support for Safety Manager Appointments

HD Hyundai Oilbank provides financial assistance to suppliers that have not yet appointed safety managers, as required under the Occupational Safety and Health Act, thereby strengthening their safety management capabilities.

Safety Equipment Support (Rental)

As part of its shared growth initiatives, HD Hyundai Oilbank actively supports the rental of safety equipment, such as smart airbags, summer neck coolers, and oral saline glucose solutions, to help ensure the safety and well-being of suppliers.

2024 safety manager appointment support costs

Approximately
KRW 570 million



Smart airbag



Oral saline glucose solution



Neck cooler

Operation of a Selection System for Excellent Safety and Health Suppliers (Qualified Contractors)

HD Hyundai Oilbank evaluates supplier safety performance during the registration, selection, and performance assessment phases in accordance with the occupational Safety and Health Act, with the objective of identifying suppliers capable of effectively preventing industrial accidents. To be designated as qualified, suppliers must achieve a minimum rating of Grade B (70 points or higher) in the safety evaluation. The evaluation comprehensively reviews the supplier's safety and health management system, industrial accident status, risk assessment details, safety and health activity plans, and their implementation performance.

2024 Ratio of qualified contractors among bidding suppliers

97%

Supplier Safety Education and External Activities

Capacity Building Education for Supplier Leadership Groups

HD Hyundai Oilbank invites external experts to deliver annual training sessions to supplier leadership groups, including CEOs, managers, and safety managers, on major safety issues of the year.

TBM (Tool Box Meeting) Competition

To foster a robust TBM culture within plants, HD Hyundai Oilbank hosted the "Supplier TBM Competition." The event recognized and awarded suppliers that demonstrated excellence in communicating risk factors, such as verifying the use of personal protective equipment and ensuring shared understanding of risks between managers and workers.

Recognition for Excellence in Cooperation for Safety and Health

In February 2024, HD Hyundai Oilbank was selected as an outstanding participant in the 2023 Safety and Health Win-Win Cooperation Project for Large and Small Businesses, organized by the Ministry of Employment and Labor. This recognition was granted in acknowledgment of our contributions to enhancing the safety and health standards of small and medium-sized enterprises and preventing industrial accidents. Our key support activities for suppliers include the provision of safety supplies, the production and distribution of safety and health materials, the development of a supplier-exclusive safety management system (software), and consulting on job risk assessments. Furthermore, HD Hyundai Oilbank received an Excellence Award at the 2024 Best Practice Presentation Contest for Win-Win Cooperation Activities, hosted by the Korea Occupational Safety and Health Agency in July 2024.

Focus on

Health and Safety

Risk Management

Risk Assessment

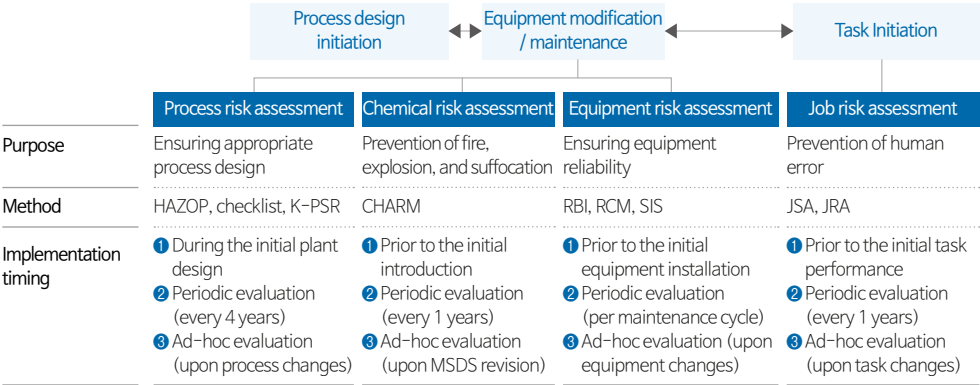
Process Risk Assessment

HD Hyundai Oilbank conducts process risk assessments to examine potential hazards arising from modifications to chemical process equipment, such as new installations, relocation, or alterations, and to develop and devise improvement measures during operation, thereby helping to reduce accident risks at the facility. The assessment process includes establishing an evaluation plan, conducting a preliminary investigation, performing the initial and follow-up risk assessments, preparing reports, presenting findings, and implementing follow-up measures. Depending on the nature of the changes, evaluation methods such as HAZOP, K-PSR, and checklists are selectively applied.

Job Risk Assessment

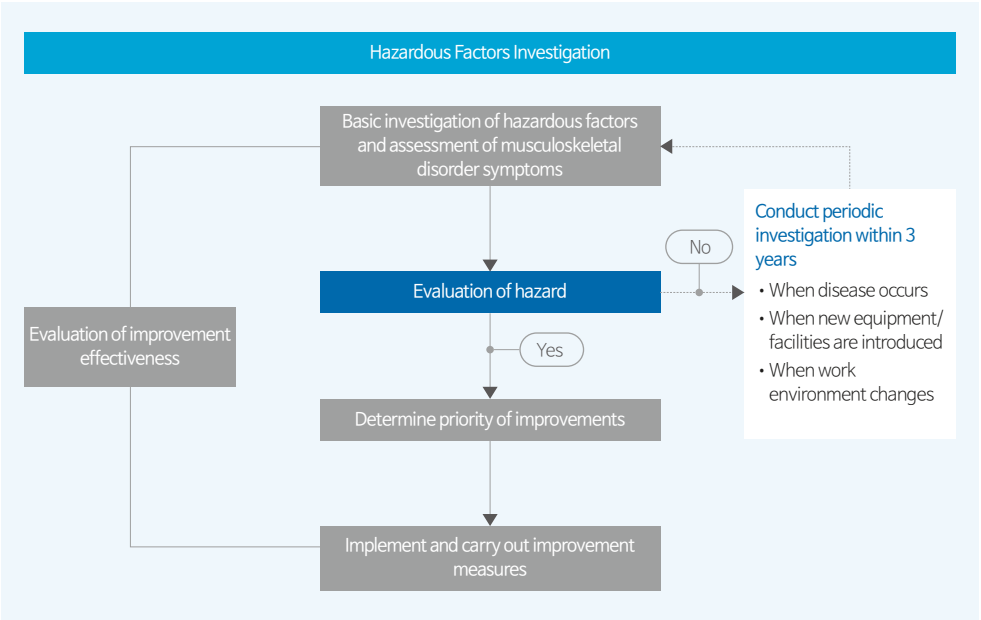
HD Hyundai Oilbank conducts job risk assessments to identify hazardous and harmful factors arising from construction, machinery, equipment, facilities, raw materials, gases, steam, dust, worker behavior, and other job-related elements and determine whether the resulting risk of injury or illness falls within an acceptable range. The objective is to establish a safe and comfortable work environment by formulating improvement measures as needed, eliminating risk factors, and preventing safety incidents.

Risk Assessment Diagram



Musculoskeletal Disease Prevention

HD Hyundai Oilbank implements preventive measures against musculoskeletal disorders through work protocols and training. We enhance the utilization of core equipment based on worker-specific needs and encourage the use of auxiliary and protective gear. Furthermore, we offer education on musculoskeletal disease prevention and management to workers and supervisors through regular online training modules, safety and environmental newsletters, and instructional videos. This educational approach enables personnel to deepen their understanding of musculoskeletal disorders, recognize early signs and symptoms, and thereby enhance prevention rates. Additionally, we operate a system for investigating risk factors associated with musculoskeletal disorders, which allows the formulation of improvement plans when such conditions are identified.



Health and Safety

Risk Management

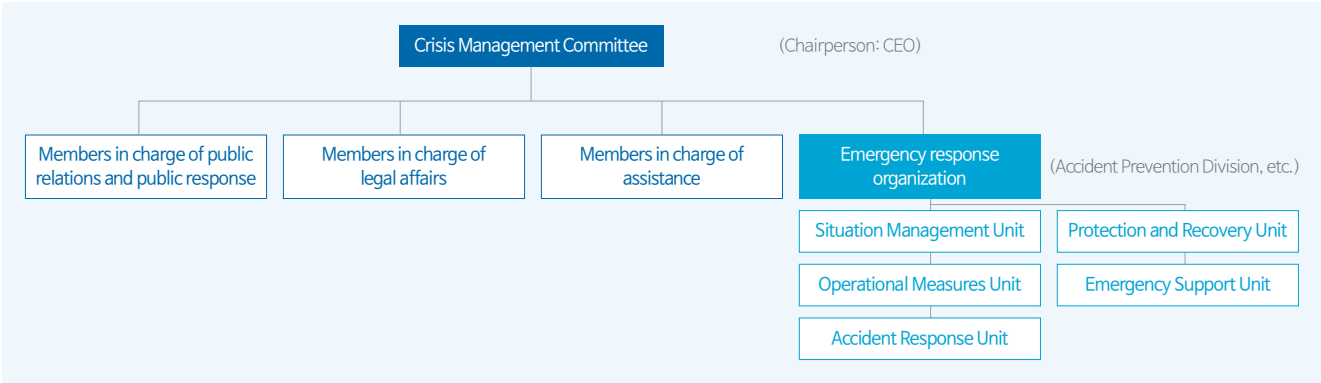
Emergency Response

Response Organization

Crisis Management Committee

In the anticipation of a crisis¹⁾ that may significantly impact HD Hyundai Oilbank’s operations, reputation, or financial stability, a Crisis Management Committee is convened as necessary to facilitate a prompt and effective response, minimize damage, and uphold stakeholder trust.

1) Crisis: Incidents such as fires, explosions, hazardous substance leaks, natural disasters, marine pollution, ship accidents, or security breaches occurring at the workplace.



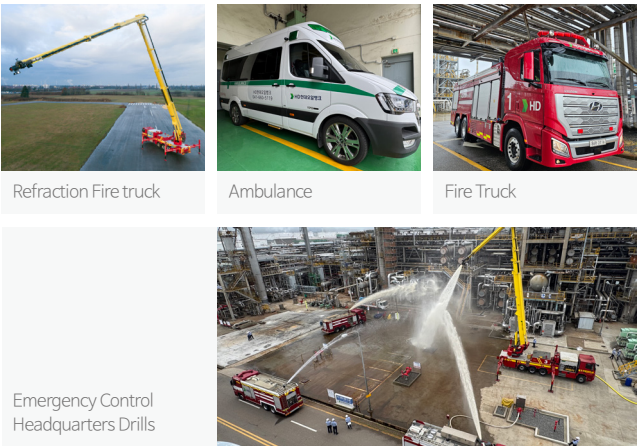
Accident Response Procedures

HD Hyundai Oilbank has established organized procedures for emergency response and incident management. These procedures include clearly defined criteria for identifying emergencies, role assignments for each organizational unit, and protocols for rapid response. We also design and conduct periodic emergency drills based on diverse scenarios to ensure readiness.



Emergency Response Equipment Preparedness

HD Hyundai Oilbank maintains an inventory of protective and emergency response equipment to ensure a timely and effective response to various crises. Through scenario-based training, employees build proficiency in using emergency equipment through repeated practice, enhancing their ability to respond swiftly and contain emergencies.



Mutual Aid System

HD Hyundai Oilbank has built a mutual aid framework in collaboration with neighboring companies in the Daesan Industrial Complex and relevant government agencies, including the Seosan Fire Station. This cooperative system is designed to ensure thorough disaster preparedness and to minimize damage to our business sites and surrounding areas through rapid, coordinated emergency response.

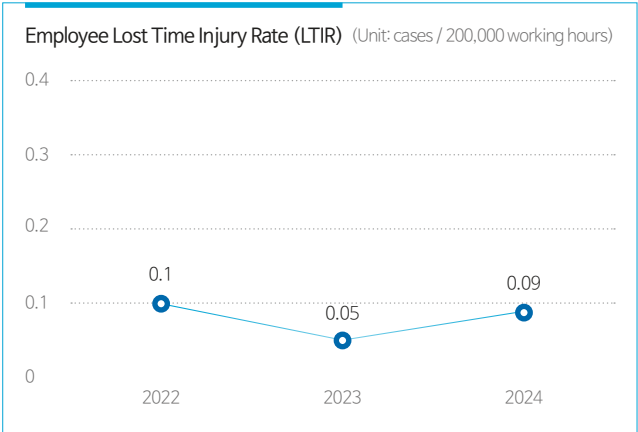
Health and Safety

Metrics & Targets

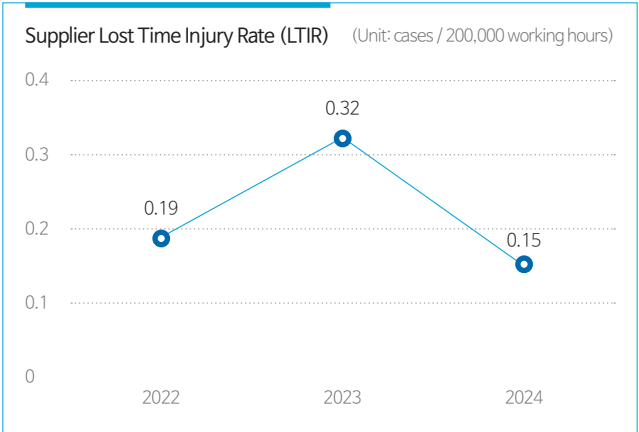
Key Achievements in 2024

Quantitative Indicators

LTIR (Employees)



LTIR (Suppliers)



Strategic Indicator

Achievement of P Grade in PSM Evaluation

HD Hyundai Oilbank attained the highest grade, “P Grade,” for the third consecutive time in the 2024 Process Safety Management (PSM) Implementation Status Evaluation conducted by the Ministry of Employment and Labor for all processes.



Key Plans for 2025

Safety well-being company

HD Hyundai Oilbank continues to advance its safety and health management efforts by designating annual core tasks aligned with its vision of becoming a “Safety and Well-being Company.” These efforts are supported by strategies focused on “Strengthening safety awareness” and “internalizing safety behavior,” with the ultimate goal of achieving zero safety incidents.

Three Key Tasks for 2025

Key Tasks	Task Goal	Target
Establishment of a voluntary safety culture	Reducing lost workdays company-wide through the establishment of a voluntary safety culture	Reaching LTIR of 0.063
Enhancement of Safety Management Capabilities	Strengthening safety management capabilities of employees through safety and health education	100% completion rate for safety and health training by supervisors and workers
Supporting supplier safety management	Enhancing safety management conditions among resident suppliers through legal compliance consulting	100% implementation rate of legal compliance consulting for resident suppliers

Employees

Governance

Talent recruitment

Ideal Talent Profile

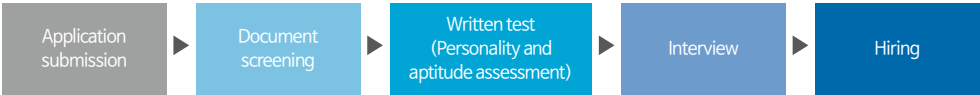
HD Hyundai Oilbank seeks individuals who embody the core values of the HD Hyundai Group—Innovation, Challenge, Respect, and Safety.

Core Values of the HD Hyundai Group

Innovation That Leads the World We drive innovation in our work practices through creative thinking and lead industrial transformation with forward-looking technologies.	Fearless Challenge We constantly push beyond limitations to create new value and cultivate a culture of fearless challenge by embracing failure.
Respect for One Another We respect individual diversity and pursue open communication. We also value and support the growth of our employees and fulfill our social responsibilities to contribute to a better society.	Safety for All We uphold the highest safety standards for ourselves. We actively contribute to the safety of our customers, society, and humanity through safe products.

Recruitment Process

HD Hyundai Oilbank ensures equal opportunity for all applicants. The recruitment process is conducted in accordance with fair and transparent procedures, with selections based on objective evaluations of each applicant’s competencies and qualifications. The process comprises several structured stages, including document screening, written assessments (personality and job competency tests), and interviews, each carried out according to clearly defined criteria to ensure fairness.



Employee Performance Evaluation and Compensation System

HD Hyundai Oilbank operates an objective and fair personnel evaluation system on an annual basis. The results of these evaluations are used to inform talent development strategies, including promotions, compensation, and the cultivation of high-performing personnel.

Performance Evaluation System

Prior to establishing individual goals, each department at HD Hyundai Oilbank conducts a session to set departmental goals. During this session, goals for each department are set in line with the business plan, and strategic tasks necessary for execution are identified. For each task, specific implementation strategies are discussed, and responsible personnel are designated. These discussions form the basis for individual objectives and detailed action plans. To create an environment in which employees can actively manage their own performance based on established plans, coaching sessions are conducted by team leaders. In addition, to enhance acceptance of evaluation results, the process includes a self-assessment component prior to final evaluations. Employees are also given the opportunity to express their perspectives on the final outcomes through an objection process.



Promotion and Compensation

HD Hyundai Oilbank implements annual promotions effective January 1, based on a comprehensive evaluation that includes performance evaluation results, promotion points, language proficiency scores, certifications, and awards. Furthermore, a performance-based compensation system is in place, with salary adjustments reflecting individual achievements and competencies as evaluated through the annual review. Incentives are also distributed based on organizational performance and individual contributions, enabling employees to share in the company’s overall success.

Employees

Strategy

Employee Career Development

HD Hyundai Oilbank believes that highly specialized talent is a key driver in becoming a leading global energy company. To this end, we have established a structured educational curriculum designed to help employees maximize their potential and support continuous growth. A tailored training system is operated according to job functions and organizational levels, offering diverse programs in areas such as job-specific skill enhancement, leadership development, and global competency building. We also provide a career development roadmap and foster a self-directed learning environment supported by both internal and external learning resources, enabling employees to design and achieve their long-term career goals.

Training Curriculum

Category	Details		
 By training topic	Training for new executives, team leaders, and section leaders	Support for acquiring job-related certifications	Female leader training
	Onboarding training for new hires and recently promoted employees	Retention and mentoring program	Reemployment training for prospective retirees
	Training on the implementation of group core values	Foreign language proficiency support	Online reading and communication programs
	AI training course	Job training for engineers and production specialists (online/offline)	Group-wide job academy
⋮			
 Selective training	Graduate school support program	Group leader training (HLC)	Overseas technical training for engineers

Programs for Fostering Diverse Talent

Operation of the ‘HD EDGE Course’ Female Leadership Development Program

In alignment with the group-level diversity, equity, and inclusion (DE&I) strategy, HD Hyundai Oilbank operates the “HD EDGE Course”, a leadership development program for women. This initiative provides an inclusive environment in which diverse talent can thrive without discrimination. This course includes mentoring, group coaching, and feedback sessions tailored for female managerial personnel. Through participation by internal leaders, it provides support for career planning, leadership enhancement, and internal networking development. Participants are encouraged to establish personalized growth plans and engage in continuous mentor-mentee interactions with the aim of becoming future role models within the organization. This program is continuously being expanded to build a fair pool of leader candidates and strengthening the overall leadership competencies of female talent.

Target	Female employees at the manager level or above within HD Hyundai Group companies
Background & purpose	To lay the groundwork for cultivating female talent and supporting their growth, ensuring sustainable corporate growth and diversity
Features	Senior executives serve as mentors, guiding participants in establishing individualized growth plans and enhancing leadership through coaching and feedback

EQR-180 Training

HD Hyundai Oilbank is currently developing a big data platform named ‘EQR-180.’ This attempt aims to establish a data-driven decision-making culture across the organization and to drive digital innovation. To support this initiative, we conduct regular, theme-based training sessions for executives and employees. In 2024, 208 employees successfully completed the training. Based on the results of a post-training effectiveness evaluation, we plan to increase the number of sessions in 2025 and implement customized, level-specific programs.



EQR-180 Business Use Case Contest

Since 2023, HD Hyundai Oilbank has hosted the EQR-180 Business Use Case Contest to promote platform utilization and enhance operational efficiency across the company. By showcasing and sharing diverse employee-led use cases, we are laying the groundwork for company-wide digital transformation.

Contest participation : **16** cases

Focus on

Employees

Strategy

Sustainable Corporate Culture

Employee Communication

HD Hyundai Oilbank operates various employee communication channels grounded in a horizontal and open organizational culture. Through initiatives such as Change Agent and HD Square, as well as division- and department-level briefing sessions, surveys, and other communication platforms, we actively listen to employee voices and continue to pursue changes that contribute to a happier workplace. Going forward, we plan to further strengthen employee connections and organizational engagement through digital communication platforms and generation-specific communication enhancement programs.

Change Agent

Approximately 20 selected Change Agents participate in regular monthly sessions, functioning as a communication channel on behalf of employees by sharing the group’s core values, internal systems, and key issues.



HD Square (Online Communication Bulletin Board)

HD Square is a two-way online communication bulletin board that delivers accurate information regarding policies and systems while directly addressing employees’ inquiries, thereby promoting a positive perception of the company.



Employee Family Invitation Program

Since 2012, HD Hyundai Oilbank has organized various employee family invitation programs to strengthen bonds with employees’ families and to enhance their understanding of and trust in the company. In particular, the program invites employees’ parents to the workplace, where they can observe work processes, tour the facilities, and visit nearby attractions. These events go beyond simple tours, fostering a positive organizational culture where families feel a sense of pride and belonging, while employees deepen their engagement through familial support and encouragement.



Creating a Flexible Work Environment

HD Hyundai Oilbank supports work-life balance and improved efficiency by operating a “selective work-hour system” and a “work-from-home system,” both of which allow employees to flexibly adjust their working hours. Furthermore, we operate a “remote work system” that enables employees to work from shared offices in Seoul. For employees working at the Daesan Plant, the “Friday Noon Departure System” and the “Engineer GRC Remote Work System,” which utilizes shared workspaces, are also in place. Starting in 2024, we also introduced the OTS System to support the efficient management of diverse work styles.

Encouraging Vacation Days

HD Hyundai Oilbank operates a “Vacation Self-Approval System,” allowing employees to plan and take leave autonomously without requiring separate approval. This system encourages independent vacation use and supports the establishment of an efficient work culture. To further promote vacation use, we have introduced the “Leader Off Day” program, which encourages team leaders and above to take at least one day off each month, along with a 5-day “JOB-OFF” vacation granted to newly promoted employees.

Internal Recruitment System

To ensure fair and transparent talent management and provide employees with greater career development opportunities, HD Hyundai Oilbank operates an internal recruitment system. This system enables employees to explore new roles aligned with their skills and interests, thereby enhancing internal vitality and engagement. It also supports strategic personnel deployment and agile workforce management, helping the organization adapt effectively to a rapidly changing business environment.

Employees

Strategy

Employee Welfare

Welfare System

HD Hyundai Oilbank offers a range of welfare programs designed to promote employee health and stable living. These initiatives provide practical support, enabling employees to work in a secure environment, pursue a higher quality of life, and contribute to the organization’s sustainable growth.

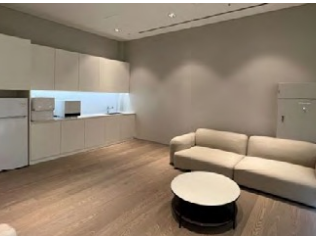
Health	Well-being
• Support for regular and comprehensive health checkups • Assistance with medical expenses (e.g., infertility treatments, prosthetics) • Operation of psychological counseling centers (face-to-face/remote) Daesan: Counseling Plus, GRC: Breeseed	• Provision of welfare points • Access to leisure facilities (hotels/ condominiums) • Provision of corporate housing or housing subsidies for Daesan Plant employees
Life	Care
• Provision of congratulatory and condolence money and leave • Support for personal pensions and housing loans • Support for in-house clubs	• Operation of in-house daycare centers and maternity protection rooms • Education expense support in accordance with a child’s life stage (e.g., tuition fees) • Work-from-home option for employees undergoing subfertility treatment or during pregnancy



In-house clubs



GRC Dream Boat Daycare Center



Maternity protection room

Work - Family Balance Support Systems

HD Hyundai Oilbank operates various systems to alleviate the burden of childbirth and childrearing while supporting a balance between professional responsibilities and family life. We are enhancing welfare benefits throughout the pregnancy and parenting journey, including support for subfertility treatment assistance and related leave, reduced working hours during pregnancy and childcare, childbirth congratulatory money, and financial aid for children’s tuition and medical expenses. Furthermore, physical infrastructure such as maternity protection rooms, infant rest areas, and daycare centers has been established to provide tangible support. Company-wide maternity and childcare support programs introduced at the HD Hyundai Group level also contribute to attracting and retaining talented female professionals and addressing the national low birth rate issue. These efforts further strengthen organizational diversity and inclusion and sharpen long-term corporate competitiveness.

Pregnancy/childbirth congratulatory money

KRW 5 million per case

Childbirth insurance

Fully covered

Special maternity leave

30 days

Work-from-home support for subfertility treatment

5 days per month

Family-Friendly Company Certification

HD Hyundai Oilbank regards the creation of a sustainable work environment that supports work - life balance as a core corporate value. In line with this commitment, we have established institutional foundations and actively implement family-friendly policies with practical outcomes. These efforts led to the attainment of the “Family-Friendly Company” certification from the Ministry of Gender Equality and Family in 2022, with plans to renew the certification in 2025. We will continue to enhance its systems and introduce differentiated programs, fostering an environment in which employees take pride in their work and the company delivers social value through work - life harmony.



Employees

Strategy

Fostering a Sound Labor-Management Culture

Labor union

Established in 1988, the HD Hyundai Oilbank Labor Union consists of 39 executive officials, including 4 full-time officers and 31 delegates. The company fully respects employees’ freedom of association and their right to participate in union activities. As of December 2024, all 1,156 eligible employees (100% participation rate) were registered members of the union.

Labor-Management Council

HD Hyundai Oilbank operates labor - management councils at each business site, composed of up to six representatives. Council meetings are held quarterly, on the second Friday of March, June, September, and December. In 2024, four meetings were held, resulting in 16 mutually agreed resolutions.

Collective Agreement

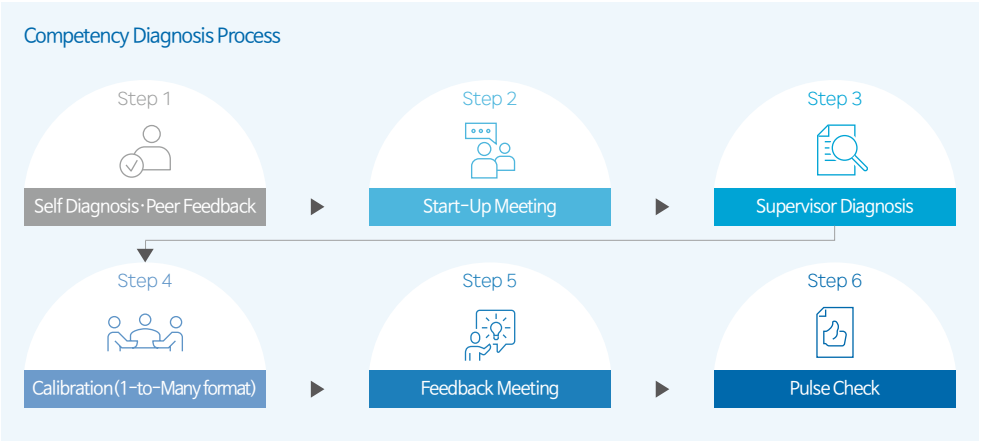
HD Hyundai Oilbank complies with the collective agreement entered into with the labor union and adheres to applicable labor laws and regulations. The agreement includes provisions on employee health and safety, the provision of an appropriate working environment and education, and the respect and protection of human rights. It also stipulates that the company shall consult the union in advance regarding any decisions that may significantly impact union members’ employment stability, in order to maintain stable labor - management relations. Prior consultation with the union is also mandated in cases of major corporate actions, such as mergers, transfers, or spin-offs.

Risk Management

Core Value Internalization Activities

Core Value Competency Diagnosis and Feedback

HD Hyundai Oilbank conducts annual competency self-assessments based on the company’s core values, with the aim of nurturing talent that embodies key competencies and actively practices the organization’s values. The results serve as a foundation for shaping a sustainable organizational culture and are incorporated into training programs and talent development strategies.



Core Value Survey

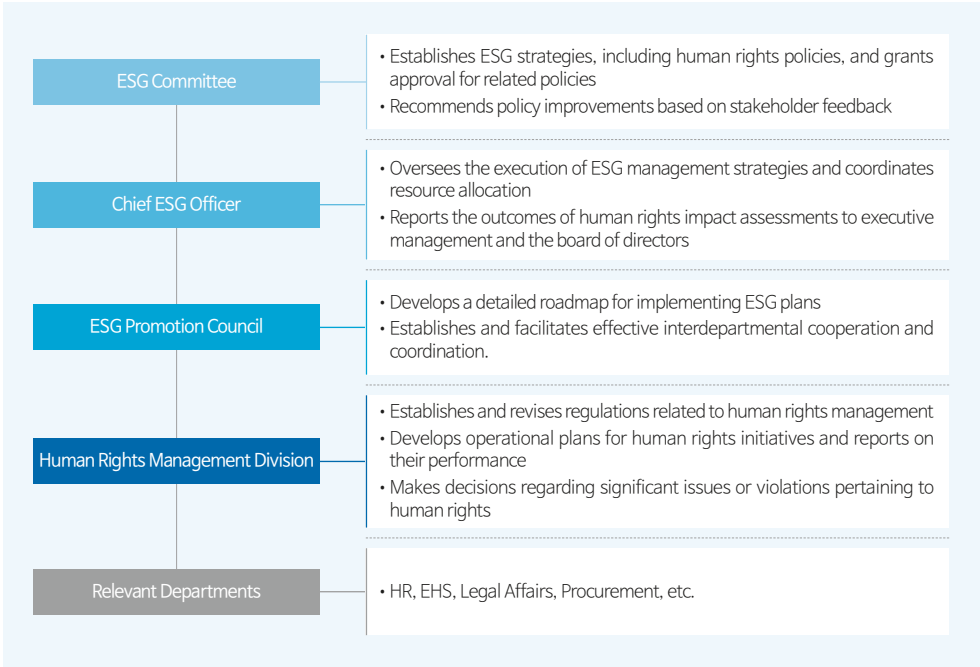
Since 2023, HD Hyundai Oilbank has conducted annual surveys to assess employees’ understanding and implementation of the company’s core values, while identifying areas for improvement in the organizational culture. In the 2024 survey, employee job satisfaction and organizational engagement were recorded at 65.3%. Based on these insights, we will continue to shape our organizational culture and strive to fulfill HD Hyundai’s mission: “Pioneering the future of humanity through innovation that leads the times and continuous challenges.”

Human Rights Management

Governance

Implementation Organization

HD Hyundai Oilbank has established a Human Rights Management Division under the ESG Promotion Council, which operates within the ESG Committee, to systematically advance human rights management. This division oversees human rights initiatives for HD Hyundai Oilbank and its energy affiliates, with the Chief ESG Officer serving as Chair. Key executives from departments such as Human Resources, Safety, Legal Affairs, and Procurement participate as division members to collaboratively build a responsible human rights management system.



Human Rights Policy

Human Rights Management Policy

HD Hyundai Oilbank and its affiliates strive to operate their businesses in accordance with internationally recognized principles of human rights. In all regions and countries where they operate, they respect the values of human rights, labor, environment, and ethics, and comply with relevant laws and regulations. The company is committed to conducting its business in line with its beliefs and promises regarding the detailed implementation of human rights standards.

Human Rights Management and Due Diligence Policy

[View the full text ↗](#)

To protect and promote the human rights of its employees and other stakeholders, HD Hyundai Oilbank has established a “Human Rights Management and Due Diligence Policy”. This policy outlines general principles of human rights management, defines the structure and responsibilities for its implementation, and sets the foundation for conducting human rights due diligence.

Supplier Code of Conduct

[View the full text ↗](#)

Through its Supplier Conduct, HD Hyundai Oilbank expresses its commitment to respecting human rights in relation to its suppliers. The company ensures that its suppliers uphold human rights protections and adhere to related principles. Based on this code, HD Hyundai Oilbank promotes corporate sustainability and encourages its primary (Tier 1) suppliers to apply the same standards and responsibilities to secondary and tertiary (Tier 2 - 3) suppliers. This approach supports the company’s vision of building a healthy and sustainable supply chain.

Human Rights Management

Strategy

Enhancing Employee Diversity and Capabilities

Cultivating Female Leaders

In alignment with HD Hyundai Group’s strategies to strengthen organizational diversity and inclusion, HD Hyundai Oilbank has continuously nurtured female talent and increased the proportion of female leaders within the organization. As of the end of 2024, the number of female leaders had reached 10, comprising 5 team leaders and 5 section leaders. This reflects a year-over-year increase in the proportion of team leaders among female leaders, demonstrating our active efforts to cultivate female leadership and expand their roles. We will remain committed to enhancing organizational diversity through the continued recruitment of female employees, the implementation of maternity and childcare support programs, and the creation of a work environment that enables female employees to balance professional responsibilities and family life harmoniously.



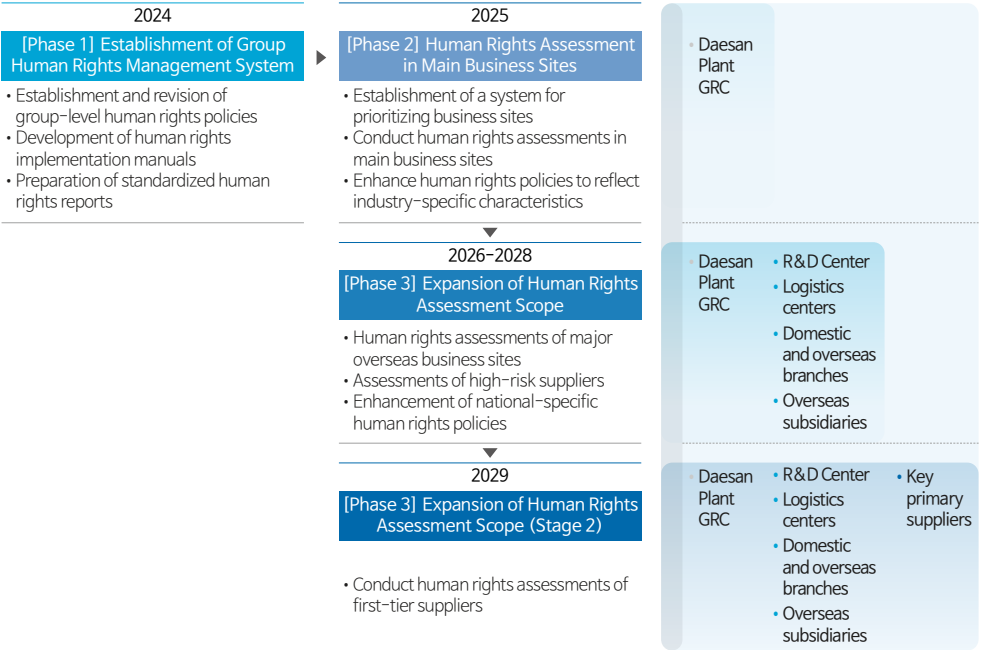
Human Rights Training

HD Hyundai Oilbank conducts annual human rights training programs for all employees, including training on the prevention of workplace sexual harassment and the enhancement of awareness regarding persons with disabilities, with the aim of fostering a culture of respect for human rights and improving sensitivity to human rights issues. Notably, in 2024, we delivered human rights management training through the Group’s online learning platform, using content developed by the National Human Rights Commission. We intend to expand our curriculum to include more specialized content for specific target groups.



Human Rights Management Roadmap

HD Hyundai Oilbank plans to gradually expand the scope of human rights impact assessments in accordance with HD Hyundai Group’s overarching human rights management principles. In prioritizing assessment targets, we have taken into account the perspectives of stakeholder groups vulnerable to human rights risks, including contract workers, dispatched workers, and service workers. From 2026 to 2028, comprehensive human rights impact assessments will be conducted across all business sites, including affiliated companies. Starting in 2029, the scope will be further extended to encompass the entire supply chain, beginning with key primary suppliers. For any risks identified through these assessments, appropriate response measures will be developed and implemented. Following implementation, we will carry out an effectiveness evaluation to monitor whether the identified risks have been substantially mitigated or prevented.



Human Rights Management

Risk Management

Execution of human rights impact assessment

Evaluation Methodology

In 2024, HD Hyundai Oilbank commissioned an external expert organization specializing in human rights management to conduct an objective and credible human rights impact assessment. This initiative aimed to preemptively identify human rights risks and facilitate the implementation of appropriate improvement measures based on the assessment findings. Remarkably, during the environmental analysis stage of the human rights impact assessment, a range of factors with potential adverse effects on human rights were examined. Employees, suppliers, supply chains, local communities, and customers were identified as vulnerable stakeholder groups, and evaluation indicators were developed accordingly.

① Written Diagnosis

The written diagnosis involved a review of responses to evaluation indicators and related supporting documentation submitted by each indicator manager and supplier affiliated with HD Hyundai Oilbank’s Daesan Plant and GRC. The evaluation indicators were broadly classified into two domains: operational management and business management. The operational management domain focused on identifying human rights risks inherent in the company’s overall operational environment, while the business management domain assessed risks that may arise from individual business activities. In 2024, human rights issues were systematically assessed based on a total of 320 checklist items (236 for operational management and 84 for business management).

② On-Site Due Diligence

Based on the findings from the written diagnosis, the Daesan Plant was designated as the priority site for on-site due diligence. This due diligence was carried out by a team of human rights professionals, led by external experts with extensive knowledge and experience in human rights management. A comprehensive assessment of human rights risks was conducted through interviews with internal personnel and external stakeholders, as well as inspections of relevant tasks and on-site processes.

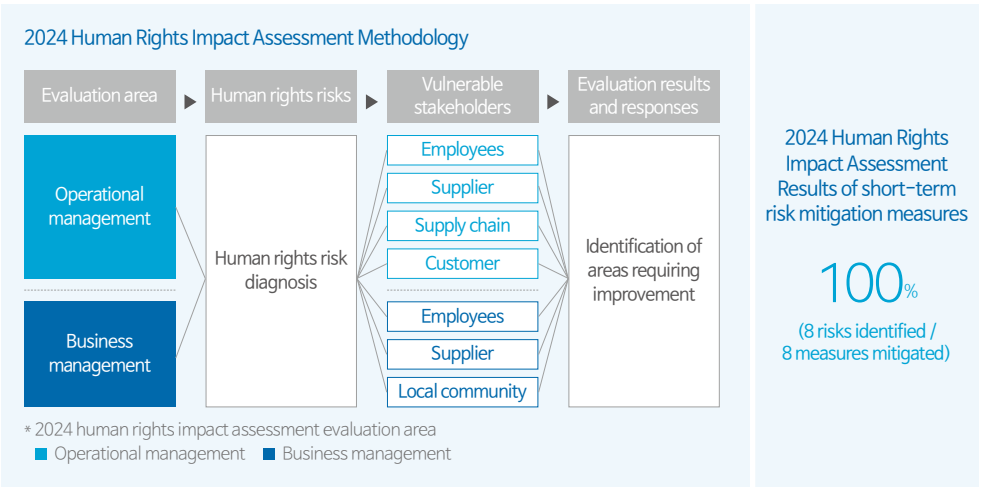
2024 Human Rights Impact Assessment Evaluation Items

Category	Area	Number of Evaluation Indicators
Operational management (236 indicators)	Governance respecting human rights	68
	Non-discrimination in employment	17
	Guarantee of freedom of association and collective bargaining	16
	Prohibition of forced labor	11
	Prohibition of child labor	14
	Guarantee of occupational safety	22
	Responsible supply chain management	10
	Protection of local residents’ human rights	10
	Guarantee of environmental rights	18
	Protection of consumer rights	21
	Humane treatment of workers and protection of labor rights	29
	Crude oil receipt	5
Business management (84 indicators)	Production planning	4
	Production management	24
	Maintenance	4
	Sales and after-sales services	9
	Production support	38

Evaluation Results and Follow-up Actions

④ Improvement Measures and Monitoring

Through the 2024 human rights impact assessment, HD Hyundai Oilbank identified key human rights risks. Corresponding short-term and medium- to long-term improvement tasks were established, and we are addressing them in phases based on detailed implementation plans. As part of efforts to establish a group-level human rights management framework, HD Hyundai Oilbank has advanced its human rights and due diligence policies. Additionally, we have developed an integrated human rights violation reporting channel on the corporate website to enhance the accessibility and effectiveness of grievance reporting and remedy procedures for employees and vulnerable stakeholders. We have also developed a Human Rights Management Committee Operations Manual to support the implementation of human rights initiatives, and conducted human rights education for executives and employees to raise internal awareness of the respect for human rights and to spread a human rights-centered culture throughout the organization. In the years ahead, we will continue to engage in close collaboration with relevant departments to ensure the effective execution of medium- to long-term improvement tasks and perform regular progress reviews to strengthen implementation competency. Throughout this process, particular emphasis will be placed on continuously enhancing and supplementing measures that address the needs of vulnerable stakeholders identified during the risk assessment.



Human Rights Management

Risk Management

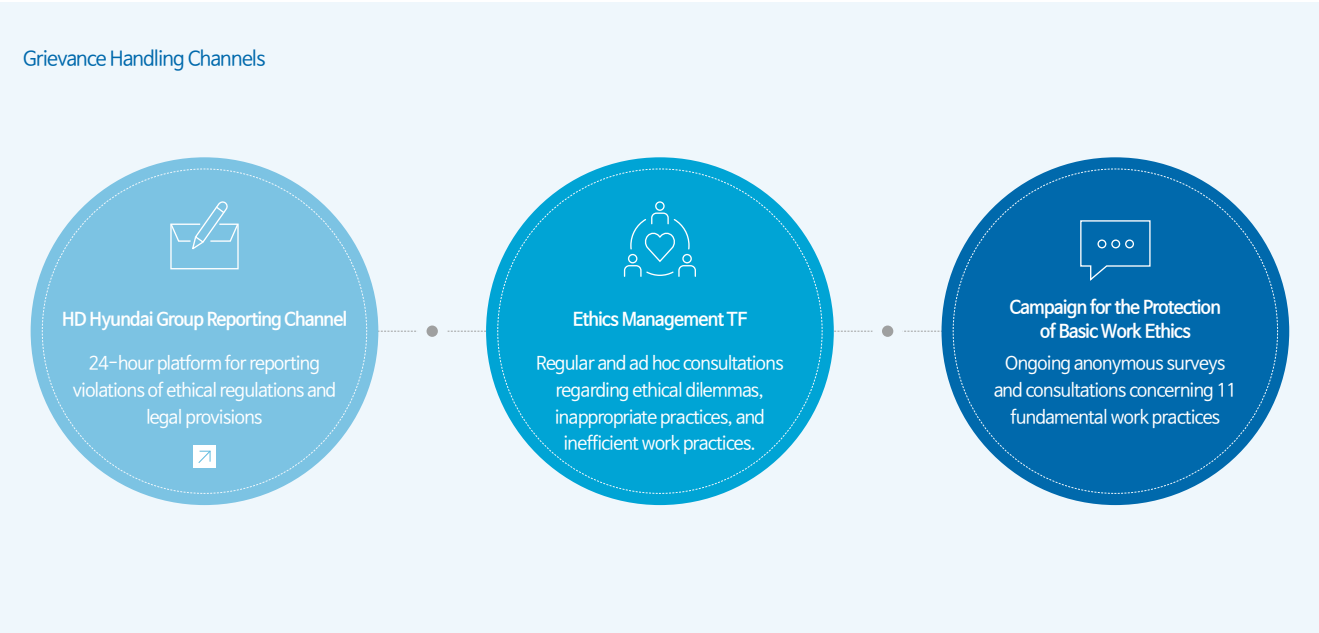
Handling Human Rights-Related Grievances

Operation of Various Grievance Reception Channels

HD Hyundai Oilbank operates a range of online and offline communication channels to foster a culture of mutual respect among its members and to continuously monitor the implementation of human rights management practices. We assess human rights as a routine practice risks to ensure ongoing engagement with a diverse group of stakeholders, including employees, suppliers, and customers. In particular, we maintain multiple channels to enhance accessibility for employees, while also establishing processes to prevent the disclosure of whistleblowers’ identities and to strengthen the protection of personal data. Each year, human rights-related grievances and associated remediation measures are reported to the Human Rights Management Division under the ESG Promotion Council. We strive to implement human rights management more effectively by actively incorporating these insights into our management practices, thereby preventing recurrence of similar incidents.

Grievance Resolution Performance (including suppliers)

HD Hyundai Oilbank also maintains an online channel on its official website to receive various forms of feedback, including grievances from suppliers (e.g., regarding subcontracting, human rights, safety, health, the environment, and unethical conduct), suggestions for improvement, and requests for dispute resolution.



100%
43 cases received /
43 cases resolved

2024 Grievance
Resolution Performance

Human Rights Management

Metrics & Targets

Performance in 2024

Participation in the Establishment of the HD Hyundai Group Human Rights Management Framework

In response to increasing demands from the international community for enhanced human rights management, HD Hyundai Group is prioritizing the establishment of group-level governance and consistent policy frameworks, while securing a structured management system and expanding its human rights impact assessment and implementation mechanisms. As the first phase of this initiative, the Group has completed the development of the HD Hyundai Group Human Rights Management Framework, which includes the formulation of a Group Human Rights Policy and the establishment of a Group Human Rights Management Committee. These policies comply with internationally recognized frameworks such as the ILO International Labour Standards, the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the EU Corporate Sustainability Due Diligence Directive (CSDDD). Furthermore, the Group has developed standardized and detailed human rights impact assessment criteria encompassing six domains, governance, labor, occupational safety and health, ethics, supply chain management, and the environment, thereby facilitating effective oversight of human rights management status across the Group.

HD Hyundai Group Human Rights Management Project Deliverables

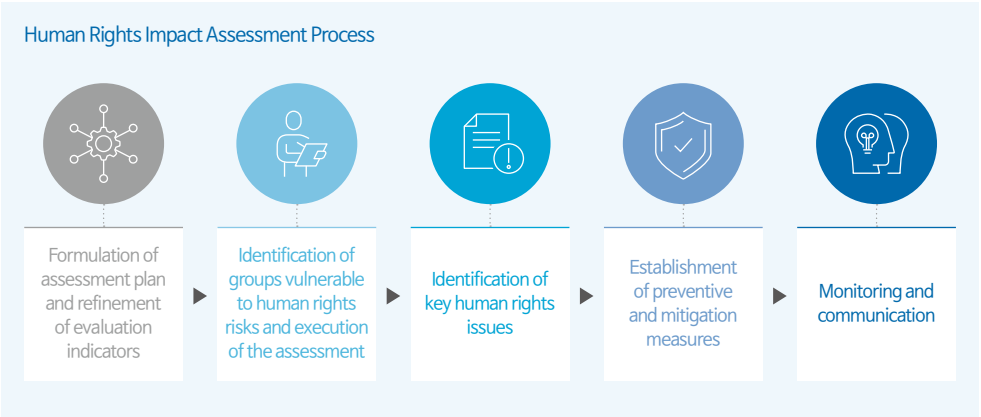
Establishing Human Rights Management Governance System	Human Rights Management Implementation Manual	Internalization of Human Rights Management
- Human Rights Management and Due Diligence Policy - Human Rights Management Declaration - Human Rights Grievance Handling and Reporting Regulations - Human Rights Risk Management Tools - Human Rights Management Committee Operations Manual	- Human Rights Impact Assessment Indicators - Human Rights Impact Assessment Practical Guidelines - Standard Format for Human Rights Management Report	Group Standard Human Rights Management Training Materials

2025 Plan

Implementation of Human Rights Impact Assessments at Core Business Sites

In 2025, HD Hyundai Oilbank plans to conduct human rights impact assessments at its key operational sites, namely, the Daesan Plant and the GRC Office,¹⁾ in collaboration with an external expert organization, to ensure the objectivity, credibility, and professional rigor of the assessment process, in alignment with the HD Hyundai Group Human Rights Impact Assessment Framework established in 2024.

1) Target companies: HD Hyundai Oilbank and major affiliated companies (HD Hyundai Chemical, HD Hyundai OCI, and HD Hyundai and Shell Base Oil)



Enhancement of Human Rights Indicators and Methodology

HD Hyundai Oilbank is set to enhance its human rights evaluation indicators in accordance with international norms and guidelines, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO International Labour Standards. Additionally, we plan to identify human rights risks unique to our operations by incorporating industry-specific characteristics. In particular, we will conduct in-depth focus group interviews (FGIs) and on-site inspections involving vulnerable groups within our workforce to verify more targeted human rights risks.

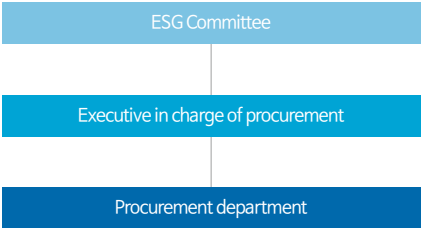
Suppliers

Governance

Sustainable Supply Chain

Implementation Organization

HD Hyundai Oilbank manages a sustainable supply chain under the leadership of its procurement organization. The procurement organization is responsible for formulating policies and implementation strategies to embed sustainability considerations, including environmental protection, safety, and ethical management, throughout the supply chain. In the event of significant supply chain issues, strategic countermeasures are discussed by the ESG Committee under the Board of Directors. This governance structure aims to prevent supply chain risks and to build a responsible value chain.



Sustainable Supply Chain Policy

[View the full text ↗](#)

HD Hyundai Oilbank has established a “Sustainable Supply Chain Policy” to promote responsible supply chain management and pursue sustainable growth in collaboration with suppliers. The policy aims to prevent supply chain risks and generate sustainable value by incorporating core ESG principles, including environmental protection, human rights, ethical conduct, and fair trade, throughout the supply chain. It applies to all executives and employees, and we recommend that all suppliers either comply with this policy or maintain policies of equivalent standards.

Four Principles of the HD Hyundai Oilbank Sustainable Supply Chain Policy

ESG risk management of suppliers	- Determines key suppliers based on strategic relevance - Recommends improvement actions based on document reviews or on-site inspections
Supplier Code of Conduct	- Covers respect for human rights, occupational health and safety, environmental protection, ethical behavior, and corporate governance - Encourages all suppliers and their employees to comply with the Code
Green procurement	Prioritizes products certified under national regulations, those with reduced hazardous materials or waste, and those bearing eco-friendly certifications, with preference given to such products where appropriate
Compliance with economic sanctions	Prohibits the transactions that are restricted or banned under applicable economic sanctions regulations

Performance Management

HD Hyundai Oilbank has designated “ESG Management Support for Suppliers” as a KPI for executives and an MBO for employees to systematically manage supply chain sustainability and quantitatively evaluate related performance. This system allows the company to identify ESG risks throughout the supply chain in advance and provide targeted support in areas requiring improvement, thereby strengthening responsible partnerships. Through this performance management framework, we are working to embed ESG considerations into our supply chain operations and, over the long term, to enhance the sustainable management competencies of our suppliers.

Supplier ESG Management System

HD Hyundai Oilbank operates an integrated procurement system, HOPS, to ensure efficient and fair business transactions. All procurement activities are conducted through this system. To increase supplier interest in ESG management and encourage voluntary efforts to improve ESG performance, we require mandatory ESG self-assessments during the supplier registration process. Additionally, contracting parties are obligated to sign the Supplier Code of Conduct during the contracting process. To nurture the ESG risk management capabilities of suppliers, we identify key suppliers based on transaction volume and other factors to offer ESG consulting services and provide them with ESG-related training programs tailored to enhancing their risk management competencies.

Domain-specific Focus Areas for Enhancing Supplier ESG Risk Management Competency			Advancing ESG-driven innovation and competitiveness
Environment	Society	Governance	
- Establishment of environmental management policies and objectives - Implementation of environmental management training - Development of environmental performance management systems	- Establishment of the safety and health management policy - Formation of dedicated health and safety organizations - Enhancement of health and safety management systems	- Development of ethics regulations and codes of conduct - Management of compliance risks - Accounting transparency	Enhancing supply chain transparency and resilience
			Ensuring regulatory compliance and mitigating legal risks
			Fostering sustainable partnerships

Suppliers

Strategy

Strengthening and Supporting Supplier Capabilities

ESG Training for Suppliers

HD Hyundai Oilbank provides tailored ESG training programs in collaboration with external professional institutions to enhance suppliers' understanding of ESG management and to strengthen their implementation capabilities. The curriculum encompasses an overview of ESG, a presentation of key issues by domain, and the increasing necessity of ESG compliance and management throughout supply chains. Additionally, the training addresses essential ESG elements that companies must adopt, as well as the significance of ESG evaluations. To further enhance comprehension, the program includes guidelines for improving ESG ratings, introduces best practices by area, and outlines applicable ESG-related laws and regulations critical to business operations.

Key ESG Education Topics for Suppliers

ESG overview and evaluation	Understanding the importance of ESG management and introducing emerging global supply chain ESG regulations
Compliance with ESG-related laws and regulations (Serious Accidents Punishment Act)	Analysis of the trends in ESG-related laws and regulations and review of responsive measures

Supplier Support Systems

Implementation of the Delivery Price Indexation System

The Delivery price indexation system refers to a mechanism under which a written agreement is executed to allow adjustments to delivery prices in response to significant fluctuations in the prices of key raw materials supplied by subcontractors, pursuant to the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprises. HD Hyundai Oilbank has adopted this system to support supplier business stability and foster a mutually beneficial management by ensuring fair compensation for cost changes that were unforeseeable at the time of contract execution.

Regular Payment of External Expenses

HD Hyundai Oilbank makes monthly payments to all suppliers to enable them to manage cash flows more predictably and minimize financial uncertainty in their operations.

Internalizing Supplier Management

ESG Training for Supplier Management Personnel

HD Hyundai Oilbank has delivered comprehensive ESG training to the entire procurement organization, focusing on the importance of supply chain management from an ESG perspective and the effective use of supplier ESG evaluations. The training underscored the need for a strategic response in light of global trends in tightening ESG-related supply chain regulations, and explored ways to enhance the effectiveness and practical utility of supplier ESG evaluation outcomes by analyzing assessment results and identifying potential areas of application.

Training topics	- Fundamental ESG concepts and trends in supply chain regulations - Overview of supplier ESG evaluation frameworks and result derivation processes - Strategies for leveraging ESG evaluation outcomes
Completion rate	100% for all employees in the procurement department



Enhancing Supplier Diversity

HD Hyundai Oilbank is committed to cultivating a fair trading environment across its supply chain and building a sustainable value chain through mutual growth with suppliers from diverse backgrounds. Through these efforts, we expect to broaden transactions with diverse suppliers, including small and medium-sized enterprises, social enterprises, women-owned businesses, and enterprises operated by persons with disabilities. We will continue to promote supplier diversity, contributing to the revitalization of local economies and the creation of social value.



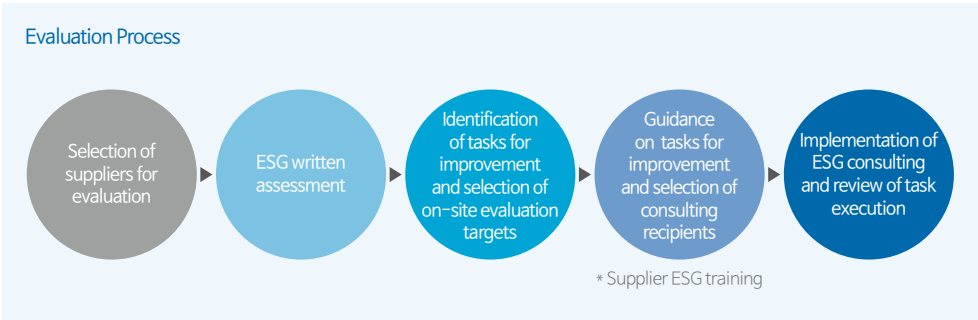
Suppliers

Risk Management

Supplier ESG Risk Management

Supplier ESG Evaluation

Since 2023, HD Hyundai Oilbank has conducted ESG evaluations of its suppliers to effectively implement the supplier ESG management system and strengthen risk management capabilities. In 2024, we evaluated 175 suppliers through a comprehensive assessment of supplier risks and the significance of their transactions. Based on the results of the written assessments, 30 suppliers were identified as having notable risks and were subsequently provided with on-site consulting services. We are scheduled to conduct a follow-up review of the implementation status of the recommended improvement tasks for each supplier during the first half of 2025.



ESG Evaluation Criteria by Area

Area	Key Evaluation Items
Environment	Formulation of environmental strategies, environmental management systems, eco-friendly initiatives, management of greenhouse gas and waste emissions, violation of environmental regulations
Society	Compliance with labor standards, presence of employment regulations, labor-management council organization, workforce diversity, quality control systems, and administrative sanctions
Governance	Implementation of external audits, prevention of external fund outflows, transactions with related parties, anti-corruption and ethics training, and establishment of codes of ethics

Review of Supplier Improvement Task Implementation

The identification and implementation of improvement tasks based on supplier ESG evaluation results are essential. These efforts enable suppliers to strengthen their ESG capabilities, while HD Hyundai Oilbank mitigates supply chain risks, ultimately enhancing the sustainable competitiveness of both parties.

HD Hyundai Oilbank assigned ESG management grades through a comprehensive analysis of the evaluation results and provided consulting services to 30 suppliers identified as requiring intensive monitoring. During the consulting process, the recommended improvement tasks were classified into short-, medium-, and long-term categories. Suppliers were given relevant data to support the autonomous completion of short-term tasks and were advised to develop structured roadmaps for achieving long-term improvements.

To ensure progress, HD Hyundai Oilbank distributes a checklist to verify whether each supplier has implemented the assigned tasks. Suppliers are required to submit confirmation and supporting documentation, which are reviewed for implementation as part of our efforts to enhance their ESG capabilities. Through this process, HD Hyundai Oilbank will stay focused on building a sustainable business model.

Detailed Monitoring Criteria for Suppliers' Improvement Tasks

Environment	- Establishment of environmental management policies and detailed implementation plans - Increased investment in environmental facilities - Participation in eco-friendly projects and strengthened environmental management - Management of energy use and greenhouse gas emissions - Adoption of renewable energy sources - Waste discharge reduction and management
Social	- Establishment or revision of employment rules - Introduction of childcare leave and related internal policies - Development of a human rights management system - Development of a responsible mineral management system - Establishment and operation of a safety and health management system - Operation of channels for employee feedback
Governance	- Enforcement of ethical management - Establishment of whistleblower systems and protection measures - Formulation of policies for corporate and personal data protection

Suppliers

Risk Management

Gathering Feedback from Suppliers

HD Hyundai Oilbank conducts regular visits to major suppliers to gather diverse feedback. For the input received from suppliers, we implement appropriate measures as needed, and conduct continuous monitoring to prevent the recurrence of identified issues. These efforts serve as a critical foundation for strengthening mutually beneficial relationships with suppliers and ensuring stable supply chain management.

Supplier Safety Management Workshop

HD Hyundai Oilbank operates the “Supplier Safety Management Workshop” as a regular communication channel for suppliers engaged in gas station operations (e.g., signage installation, tank cleaning, painting, general cleaning, etc.). In 2024, we conducted in-person visits to nine companies and provided training on the theme of “Serious Accident Prevention,” covering the importance of conducting TBM before commencing work, task-specific safety protocols, and examples of both compliant and non-compliant work conditions. Suppliers were also advised on preventive measures for safety incidents. Additionally, we collected feedback on challenges encountered during on-site operations. These initiatives are becoming an essential practice for proactively preventing supplier-related incidents and creating a safer environment in collaboration with suppliers.

Land Transport Provider Logistics Improvement Council

HD Hyundai Oilbank convened a Logistics Improvement Council with the participation of seven land transport providers. In addition to sharing transportation stabilization strategies and operational plans, the council focused on accident prevention by disseminating insights into enhanced safety management practices and presenting region-specific accident case studies. We also promoted communication through the collection of feedback from transport providers and the joint discussion of improvement measures. We will continue to foster mutually beneficial partnerships through sustained dialogue and collaboration with our logistics partners.

Metrics & Targets

Major Achievements in 2024 and Plans for 2025

HD Hyundai Oilbank plans to implement ESG management support initiatives for suppliers stationed at the Daesan Plant, with the goal of fostering a safe operational environment at its own facilities and strengthening the sustainability capabilities of its suppliers. In particular, we will provide phased training and capacity-building support to help 16 key resident suppliers establish their own ESG management systems.

Category	2024 Key Achievements	2025 Plans
Supplier ESG evaluation	Conducted ESG evaluations of suppliers across all ESG domains (evaluated 175 companies; provided consulting services to 30 companies)	To support ESG management for resident suppliers at the Daesan Plant (Enhancing ESG self-management capabilities of 16 key resident suppliers)
Establishment of supply chain governance	Reported on the “establishment of a supply chain management system” to the ESG Committee under the Board of Directors	To report to the ESG Committee in the event of major supply chain issues



Supplier Safety Management Workshop



Land Transport Provider Logistics Improvement Council

Customers

Governance

Product and Service Quality Management Governance

Implementation Organization

HD Hyundai Oilbank remains committed to maintaining high product quality, a core element of customer satisfaction. To ensure the delivery of dependable quality, our quality management unit conducts regular inspections and provides quality management training to relevant team leaders and directly-managed gas station operators. In addition, we strive to maintain quality stability and enhance customer trust through a range of initiatives.



Quality Management System Certification

HD Hyundai Oilbank delivers customer-oriented services through structured operational processes and continues to enhance its internal quality control and risk response capabilities. As a result of these efforts, we have maintained ISO 9001 certification, an internationally recognized quality management system standard. We preemptively identify potential quality risks across the entire value chain, from production to sales, and implement measures to prevent recurrence, thereby promoting customer satisfaction and continuous quality improvement.



Enhancing Customer Value

HD Hyundai Oilbank strives to protect not only its customers but also suppliers and local communities, while minimizing the environmental impact of all its business activities. To this end, we conduct regular inspections of gas station facilities to prevent customers from being exposed to critical situations or accidents (e.g., fuel leaks, fires, or explosions). We have also distributed the "Facility Inspection Standard Manual for Directly-managed Gas Stations" to all directly-managed gas stations to facilitate a prompt response in the event of an emergency. In parallel, through its human rights management and due diligence policies, the company endeavors to safeguard customer health and safety, protect personal information, and provide transparent information about products and services to ensure accessibility. These efforts reflect the company's commitment to protecting customer rights.

Awards related to Customer Service Quality

HD Hyundai Oilbank has consistently pursued enhanced customer satisfaction through continuous innovation in service delivery and quality improvement, with customer-centric management as its core value. As a result of these endeavors, HD Hyundai Oilbank has been recognized as the industry's sole top-ranked call center in the oil refining sector for 16 consecutive years in the Korea Service Quality Index (KSQI) survey conducted by KMAC. Moreover, we have maintained the first-place ranking in the gas station category of the Korea Standard Service Quality Index (KS-SQI) for 10 consecutive years. These accolades reflect the company's commitment to delivering accountable service built on customer trust. We will continue to advance customer satisfaction management by delivering differentiated services that exceed customer expectations.

Ranked No. 1 Call center
in the oil refinery sector
by KSQI for

16
consecutive years

Ranked No. 1
in the gas station sector by
KS-SQI for

10
consecutive years



Certificates

Customers

Strategy

Institutionalization of Customer Safety and Quality Management

Implementation of Quality Training

HD Hyundai Oilbank conducts biannual quality training for sales representatives, gas station operators, and dealers. Training topics include petroleum product quality, the Act on the Safety Control of Hazardous Substances, and preventive measures to avoid water ingress into storage tanks. Beginning in 2024, we have expanded the scope of training to include dealers, with the objective of reinforcing comprehensive quality control competencies. Additionally, we are striving to internalize quality management practices by utilizing various educational tools such as quality booklets, calendars, and promotional materials to deepen understanding and elevate the overall level of quality management.

Emergency Response Drills

HD Hyundai Oilbank annually conducts internal emergency response training at its gas stations and logistics centers to systematically manage safety and minimize potential risks to customers. The trainings simulate various unforeseen incidents that may occur at these facilities and focus on prompt initial response, effective damage control, and appropriate follow-up actions in compliance with legal procedures. Through these trainings, we are bolstering our capacity to prevent actual accidents and respond to emergencies, thereby taking the lead in safeguarding operational sites, customers, and the environment.

Quality training

626hours



Quality calendar



Promotional materials and booklets for quality management

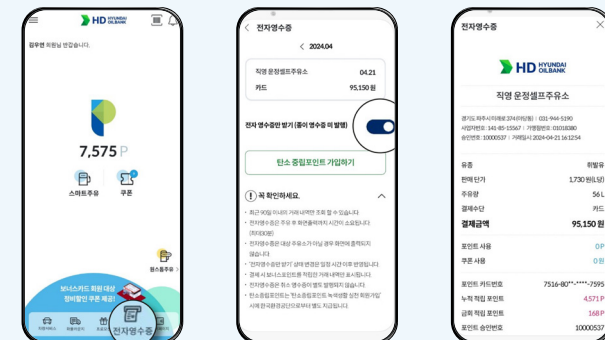


Emergency Response Drills

Introduction of Mobile Receipts via the Car& App

In 2023, HD Hyundai Oilbank launched a mobile receipt issuance system through its bonus card application, Car&, as part of its efforts to promote ESG values among customers at directly-managed and self-owned gas stations. Customers who apply for mobile receipts through Car& can receive and manage their receipts digitally within the app and earn carbon neutrality points provided by the Korea Environment Corporation. This service enables customers to accumulate carbon neutrality points worth up to KRW 70,000 annually and is estimated to save approximately KRW 60 million per year in paper costs, based on around 300,000 active Car& members. This initiative not only curtails waste generated by discarded paper receipts but also contributes to ecosystem preservation by decreasing deforestation and pulp production associated with paper receipt issuance. Moreover, mobile receipts enhance convenience and security through the elimination of the risk of physical loss, thereby contributing to the creation of social value. HD Hyundai Oilbank will continue to build a virtuous cycle of environmental protection in collaboration with its customers and work toward a sustainable future.

Car& app mobile receipt



Customers

Strategy

Generating Social Value at Gas Stations

Broadcasting Public Service Advertisements via Digital Signage

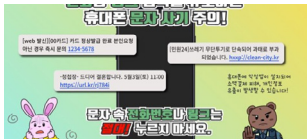
HD Hyundai Oilbank is implementing a project to broadcast advertisements through digital signage installed on self-service fuel dispensers at its gas stations. In addition to commercial content, we began broadcasting public service advertisements and social campaigns in 2023 as part of its ESG initiatives, thus delivering meaningful and diverse value to customers. In 2023, public service content from the Korea Broadcasting Advertising Corporation was broadcast, followed by announcements from the Gyeonggi Nambu Provincial Police Agency in 2024. For 2025, discussions are underway with the same police agency and other government organizations, including the Korea Deposit Insurance Corporation, to further promote social value. HD Hyundai Oilbank will continue to advance cooperative initiatives with relevant institutions.

Camping Car Dump Station

HD Hyundai Oilbank is at the forefront of fostering a sustainable travel culture and safeguarding the environment through the operation of camping car dump stations. This service originated from the recognition of the increasing number of camping car users due to the growing popularity of camping and the currently insufficient supporting infrastructure. It involves installing sanitary and safe facilities within gas stations to ensure proper disposal of wastewater and solid waste generated by camping cars—waste that, if improperly handled, poses significant environmental risks. The facilities are also equipped to provide a reliable supply of clean water, enhancing user convenience. In 2022, HD Hyundai Oilbank became the first company in the domestic oil refining industry to install a camping car wastewater treatment facility at its Gangneung Samteo Gas Station, marking the launch of its camping car dump station operations. In 2023, the company was selected as the successful applicant in the Korea Tourism Organization’s “Infrastructure Development Project in the Private Sector Support Project for Camping Cars,” receiving full government funding for the initiative. In collaboration with the Korea Tourism Organization, HD Hyundai Oilbank has expanded the network and is currently establishing and operating dump stations at 10 locations nationwide. Going forward, we will continue to strengthen cooperation with the Korea Tourism Organization to promote an eco-friendly camping culture and contribute to the development of environmentally responsible gas station platforms.



Public service advertisements aired through digital signage



Camping Car Dump Station



Mobile Lab

Risk Management

Quality Risk Management

Ranked No. 1 in Low Abnormal Oil Detection Rate

HD Hyundai Oilbank rigorously conducts quality inspections that comply with all relevant statutory requirements throughout the entire product distribution process, from production to delivery at gas stations and charging stations. Furthermore, we carry out proactive, year-round preliminary inspections to uphold strict quality control and consistently deliver reliable products to customers. Seasonal special quality checks are also conducted during the rainy season and winter months to mitigate quality risks associated with moisture infiltration and thermal contraction. As a result of these initiatives, HD Hyundai Oilbank has continuously received recognition for its product quality in annual fuel quality inspections at gas stations conducted by the Ministry of Environment and the Ministry of Trade, Industry and Energy (Korea Petroleum Quality and Distribution Authority). In addition, we have consistently demonstrated quality reliability in the “Fuel Oil, LPG, and Asphalt Precision Comparison Test,” a program administered by the Korea Petroleum Quality and Distribution Authority in collaboration with four domestic oil refiners and related enterprises. HD Hyundai Oilbank has maintained top-tier rankings across all fuel categories and product types since 2014.

In 2024, we further validated our excellence in quality management by achieving the industry’s lowest abnormal oil detection rate for the second consecutive year, as confirmed by inspections conducted by the Korea Petroleum Quality and Distribution Authority. Looking ahead to 2025, HD Hyundai Oilbank is committed to attaining the highest standards in quality management and to supplying products that customers can use with complete confidence.

Ranked 1st in low abnormal oil detection rate for

two consecutive years

Operation of the Quality Support Center and Mobile Testing Vehicle “Mobile Lab”

To focus on the prevention and management of quality-related risks during product distribution and to address quality-related complaints in a proactive and systematic manner, HD Hyundai Oilbank operates Quality Support Centers in Pangyo, Gunsan, and Busan, each equipped with state-of-the-art analytical testing instruments. In addition, we operate the “Mobile Lab,” a mobile testing vehicle designed to enable immediate responses to quality complaints. Going beyond simultaneous sampling, this vehicle facilitates on-site analysis of oil products, allowing us to provide rapid results directly to customers. Through this advanced system, HD Hyundai Oilbank has achieved a 100% complaint resolution rate despite an increasing volume of oil quality-related claims, thereby delivering highly reliable products to its customers.

Quality complaint resolution rate

100%

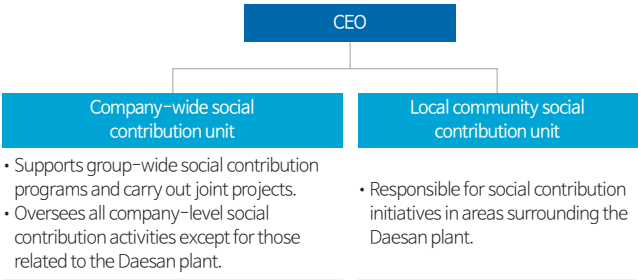
Local community

Governance

Social Contribution Governance

Implementation Organization

HD Hyundai Oilbank actively engages in social contribution initiatives led by a dedicated organizational structure established at its principal business sites. These efforts are undertaken in the spirit of corporate social responsibility and with a commitment to the development of local communities where our operations are located. Furthermore, HD Hyundai Oilbank enhances synergies within the group by participating in HD Hyundai Group's social contribution projects in coordination with the HD Hyundai Group Social Contribution Council.



HD Hyundai Group social contribution organization

Social Contribution Council	- Establishes the foundational directions and policies governing the group's social contribution activities - Carry out the group's joint donations
Social Contribution Steering Committee	Oversees the execution and practical implementation of initiatives
Group Social Contribution Planning Team	Manages the group's overall social contribution activities

Social Contribution Vision

HD Hyundai Oilbank aims to realize HD Hyundai Group's vision of "Better World, Brighter Future." Accordingly, all executives and employees take part in social contribution initiatives for fostering inclusiveness, addressing social issues, and promoting mutual prosperity with local communities.

Vision			
Better World, Brighter Future			
Directions	Inclusive HD Hyundai	Sustainable HD Hyundai	Innovative and Action-Oriented HD Hyundai
	HD Hyundai aims to uphold human rights and improve the quality of life for socially marginalized groups, ensuring equal respect for all members of society, irrespective of their diverse backgrounds.	HD Hyundai pursues sustainable growth by acknowledging its social, economic, and environmental impacts and fulfilling its responsibilities.	HD Hyundai actively explores and applies innovative ideas to address a wide array of complex social challenges.
Focus area	Coexistence with local communities	Support for the self-reliance of disadvantaged groups	Environmental protection
	Aim to establish a foundation for communal well-being by upholding the founding spirit of mutual development between enterprises and local communities.	Support economic independence and improve quality of life by providing diverse educational opportunities and enhancing the living environment.	Contribute to the sustainable development of local communities and the health and safety of future generations through environmental conservation and improvement activities

Designation under the Corporate Social Responsibility in the Community

HD Hyundai Oilbank was designated as a recognized enterprise under the "Corporate Social Responsibility in the Community" in 2024, following its selection in 2023. Jointly organized by the Ministry of Health and Welfare and the Korea National Council on Social Welfare, the system acknowledges corporations that demonstrate exemplary efforts in revitalizing local communities and implementing social contribution activities. HD Hyundai Oilbank's efforts, including initiatives such as local rice purchase projects and marine conservation projects, received high commendation for their significant contribution to creating social value within the community.



Focus on

Local community

Strategy

Employee Participation Volunteer Programs

Since 2005, HD Hyundai Oilbank has organized volunteer activities involving employees and their families as part of fulfilling its social responsibilities and providing meaningful support to underserved communities.

Employee volunteer work hours

(2023 5,455 hours)

6,134 hours in total

Happiness Sharing Volunteer Program

HD Hyundai Oilbank employees have consistently participated in volunteer service since 2005, visiting underprivileged households and social welfare facilities under the "Happiness Sharing Volunteer Program." The company also operates a matching grant system that donates a specified amount per volunteer hour, alongside in-kind contributions of up to an annual maximum of KRW 2 million, thereby fostering a culture of giving within the local community.

Toy Production for Abandoned Dogs

As part of a job creation initiative for economically disadvantaged individuals, HD Hyundai Oilbank took part in the production of "Carrot Kits." These kits enabled persons with disabilities and low-income individuals to engage in economic activity and move toward self-reliance. A total of 132 employees participated in manufacturing 2,574 carrot toys, which were subsequently donated to shelters for abandoned dogs.



Toy production for abandoned dogs



Crafting delightful mood lights

Crafting Delightful Mood Lights

A total of 155 employees participated in the "Making Mood Lights" volunteer activity, which was conducted in cooperation with HD Hyundai Oilbank's affiliates. Together, they produced 1,123 mood lights that were donated to 14 welfare institutions nationwide, including local children's centers and childcare facilities, sharing our warmth and care with those in need.

Coexistence With and Contribution to Local Communities



Youth soccer player development program

Joint Operation of Youth Soccer Player Development Program

Since 2020, HD Hyundai Oilbank has jointly operated a youth soccer player development program in partnership with the Korea Professional Football League. In 2024, approximately 30 youth players were selected as the fifth cohort of the "K-League Dream Assist" program. To support the growth of these aspiring athletes, we designed and provided a variety of development programs, including one-on-one mentoring sessions and practice matches with former and current professional footballers, in addition to producing video content with national team players and organizing overseas training camps.

Senior Center Facility Improvement and Mobile Barbershop Services

HD Hyundai Oilbank has collaborated with diverse organizations to enhance the living conditions of elderly residents. In collaboration with the HD Hyundai 1% Nanum Foundation, we donated items worth KRW 100 million, including standing furniture, to 33 senior centers in the local community. Furthermore, ahead of the Chuseok holiday, we worked with volunteer hairdressers from the Seosan Hairdressers Association to provide a "mobile volunteer haircut service" at four village senior centers near the Daesan Plant, delivering haircuts to 48 senior citizens.



Senior center facility improvement project



Mobile volunteer haircut service

Community Safety Enhancement Project

Since 2005, HD Hyundai Oilbank has supported initiatives to promote public safety, including fire prevention, crime deterrence, maritime safety, disease control, and donations of relevant safety equipment, in collaboration with four regional public-interest organizations: the Daesan-eup Volunteer Fire Brigade, local autonomous security forces, the Daesan Life Rescue Team of the Korean Red Cross, and the Daesan Junior Chamber (JCI).



Community safety enhancement project

Local community

Strategy

Activities in Alignment with Corporate Social Contribution Vision



Local rice purchase project

Local Rice Purchase Project

To enhance the competitiveness of local farmers and help stabilize their incomes, HD Hyundai Oilbank has implemented a local rice purchase project since 2003. Each year, we purchase rice valued at KRW 1 billion from regional farmers and distribute 19,096 bags (10kg each) of “Hope Energy Sharing Rice” to low-income households and social welfare institutions in 15 cities and counties in Chungcheongnam-do.



Marine conservation project

Marine Conservation Project

To preserve the marine ecosystem and replenish depleted fishery resources, HD Hyundai Oilbank has released young rockfish and olive flounder into the waters near Bigyeongdo, off the coast of Samgilpo in Chungcheongnam-do, since 2003. Building on these release efforts, Samgilpo has since grown into one of the richest fishing ground in Korea. We are also continuing clam release initiatives and conducting marine cleanup activities to foster a sustainable environment for diverse aquatic life.

Heating Cost and Heating Oil Support Project

HD Hyundai Oilbank has provided financial support for heating costs since 2005 to help elderly residents near the Daesan Plant stay warm during winter. In 2024, we contributed KRW 170 million to 595 senior centers in Seosan and Taean. Additionally, we carried out a special project to support energy-vulnerable groups affected by rising prices by donating KRW 200 million to 452 senior centers and social welfare facilities, including organizations for persons with disabilities, children, and multicultural communities, in Seosan, in an effort to share warmth.



Heating cost and heating oil support project (Taean)

Local Talent Development Program

HD Hyundai Oilbank has awarded scholarships to approximately 100 students annually in Seosan, Dangjin, and Taean through the HD Hyundai Oilbank Scholarship Program, which was established in 2006. Additionally, recognizing the region's limited access to academic information, we have hosted university entrance briefing sessions for local high school students and their parents since 2011. Approximately 600 individuals attended the 2024 session.



Local talent development (scholarship award ceremony)



Hwagok Reservoir transformation project

Transformation of Hwagok Reservoir into Park

Each year, HD Hyundai Oilbank undertakes maintenance and enhancement efforts for the Hwagok Reservoir adjacent to the Daesan Plant. In celebration of our 50th anniversary, we are working with employees to improve the reservoir's environment by planting trees, enhancing its aesthetics, and developing recreational infrastructure such as sports facilities and rest areas. These efforts aim to transform the site into an eco-friendly park for local residents.



HD-Days(High Dreams)



Santa delivering happiness

HD-Days

HD Hyundai Oilbank has implemented the “HD-Days” program to engage in more meaningful social contribution activities for local children and youth. In the first half of the year, the “High Dreams,” a career exploration and university visitation program was conducted for 40 students from the Seosan area, held at the Daesan Plant and Seoul National University. In the second half of the year, the “Happy Delivery” initiative was carried out, in which employees from the Daesan Plant delivered Christmas cards, winter supplies, and snacks to children at local children's centers.

Local community

Risk Management

Local Community Communication

HD Hyundai Oilbank actively seeks to understand the perspectives of local residents through a range of communication channels and is committed to expanding its contact points with communities surrounding its business sites. Drawing upon these interactions, we will continuously explore ways to foster shared growth and development in collaboration with local communities.

Channel

- Scholarship program
- Volunteer work steering committee
- Council within the Daesan Industrial Complex
- Local government and affiliated social organizations

Topic

- Sharing activities that contribute to the economic development of the local community
- Sustained dialogue for mutual prosperity with local communities
- Support for expanding access to cultural and artistic experiences within the local community
- Assistance in the development of local education projects

Metrics & Targets

Major Achievements in 2024 and Plans for 2025

HD Hyundai Oilbank was designated a “Local Community Contribution Recognized Company” in 2024, following its recognition in 2023, in acknowledgment of its consistent achievements in various community contribution initiatives. In 2025, we intend to sustain our long-standing community engagement programs while continuously identifying new initiatives tailored to local needs, promoting regional development and strengthening communication for mutual growth.

Category	2024 Key Achievements		2025 Key Plans	Mid- to Long-Term Plan (after 2026)
 Awards related to community contribution	Selected as a “Corporate Social Responsibility in the Community” (since 2023, with annual evaluations planned)			
 Senior center facility improvement project	Supported welfare facilities, organizations, and living environment in senior community centers	Support for video equipment at senior education institutions	Continuous facility improvement and support expansion	
 Educational initiatives for local students	- Awarded KRW 59 million in scholarships - Career exploration activities including university visits - Provided support for establishing study spaces and participating in career fairs	- Plan to award KRW 80 million in scholarships - Mentoring programs for local students in collaboration with Seoul National University - Support for establishing study spaces and participating in career fairs	- Explore the expansion of scholarship program - Development of new educational programs for local students	
 Support for public interest groups	Supported public interest groups (since 2005)	Ongoing implementation of support	Explore increased scope and scale of support	
 Project for vulnerable groups	Donations for underprivileged groups	- Provided daily necessities for defectors from North Korea - Supported multicultural events	Expand support target groups	

GOVERNANCE

GREEN LEADERSHIP WITH TRANSPARENCY

80
Information
Security

83
Compliance

85
Business Ethics

Information Security

Governance

Implementation Organization

Security Committee

The Security Committee serves as the company’s highest decision-making body for security management, chaired by the Chief Executive Officer. The committee is tasked with implementing improvement measures to enhance security capabilities, allocating necessary resources to support security initiatives, resolving security incidents, and establishing measures to prevent recurrence.

Chief Information Security Officer (CISO)

The appointed “Chief Information Security Officer” oversees the coordination and control of the company’s security management activities and provides the necessary support for their execution. Key responsibilities include establishing and operating core security standards, conducting security assessments, delivering education and training programs, and overseeing the operation of security systems.

Chief Privacy Officer (CPO)

The Chief Privacy Officer is responsible for the comprehensive protection of personal data retained by the company and for ensuring compliance with all applicable regulations and internal rules. In the event of a personal data leak, the CPO shall immediately notify the security management organization and take coordinated action to ensure an effective response.

Divisional Security Officers

Security Officers at each division are responsible for monitoring the security status of their respective division and implementing necessary security measures. They shall also collaborate on tasks requested by the CISO and CPO.



Personal Information & Information Security Policy

[View the full text](#)

HD Hyundai Oilbank has established and implements a policy to ensure the secure management and protection of corporate assets and personal data. Through a structured security management policy, we safeguard physical assets, personnel, documents, personal information, and other tangible and intangible assets. We also conduct regular audits and maintain rapid response protocols to address any security incidents promptly.

Personal Information & Information Security Management System Certification (ISMS-P¹⁾)

HD Hyundai Oilbank has obtained the ISMS-P certification and is committed to strict compliance with applicable laws and regulations. To maintain this standard, we engage professional external security consultants to perform regular evaluations and address any identified deficiencies.

1) ISMS-P (Personal information & Information Security Management System): A system to validate that a company’s measures and activities are compliant with prescribed certification standards for information protection and privacy.

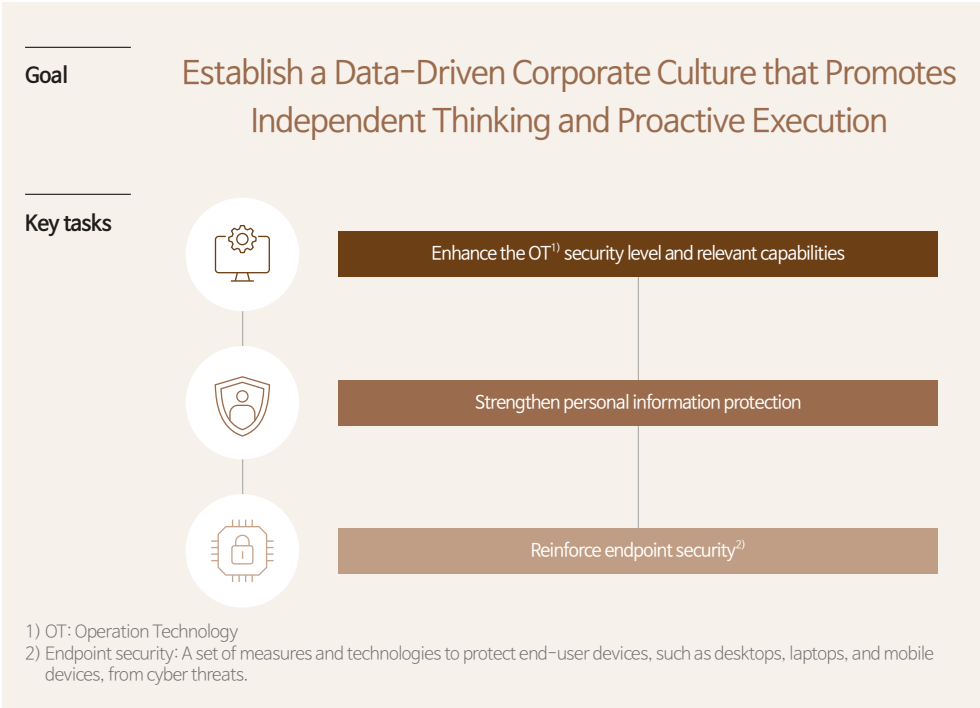


Information Security

Strategy

Strategic Tasks

HD Hyundai Oilbank has defined three key strategic tasks to cultivate a data-driven corporate culture that empowers employees to think independently and take measures, and is working to achieve them. We are enhancing server access control systems and reviewing the deployment of OT security solutions. Additionally, we are preparing for ISMS-P recertification to accommodate a cloud-based work environment and to adopt security solutions for protecting web applications and APIs.



Embedding Security Capabilities

Security Training

HD Hyundai Oilbank regularly provides comprehensive information security training and drills to its employees. Fundamental online courses on personal information protection are delivered to all employees, with specialized training offered to designated personal information handlers and IT/DT personnel.

Simulated Security Drills

Annual mock phishing email exercises are conducted to raise security awareness. Employees identified as vulnerable during these simulations receive additional follow-up training to prevent future incidents.

Security Newsletter Publications

We publish monthly information security newsletters to share insights on hacking incidents, security protocols, and other relevant topics, helping employees deepen their understanding of security management and related duties.

2024 Performance

Security Training

1,324hours

Security drills

11sessions

Security newsletters

12times

Information Security

Risk Management

Security Management

Establishment of Security Equipment and Security Operations

HD Hyundai Oilbank has implemented and operates a range of security systems designed to detect and prevent both internal and external hacking threats and anomalous activities. We conduct monthly monitoring to assess the current security posture. Through the deployment of DDoS defense systems, web application firewalls, and intrusion prevention systems (IPS), we identify and block hacking attempts and unauthorized external access from external sources. Additionally, email defense systems have been established to respond to APT attacks delivered via email. Furthermore, data leakage prevention systems and media control systems are employed to monitor for potential data exfiltration by malicious internal actors. When abnormal activities are detected through analysis of internal network traffic, immediate countermeasures are executed. Logs recorded in each system are collected through security control and analysis systems and monitored in real time. In addition, HD Hyundai Oilbank continues to upgrade and enhance its security infrastructure in response to increasingly sophisticated security threats.

Security operations

Response to threats	Threat management	Security monitoring
• Web attack prevention • Network access prevention • Malicious code prevention	• Dissemination of security recommendations and current status • Enhancement of security policies	• System monitoring • Website monitoring

Security Diagnosis

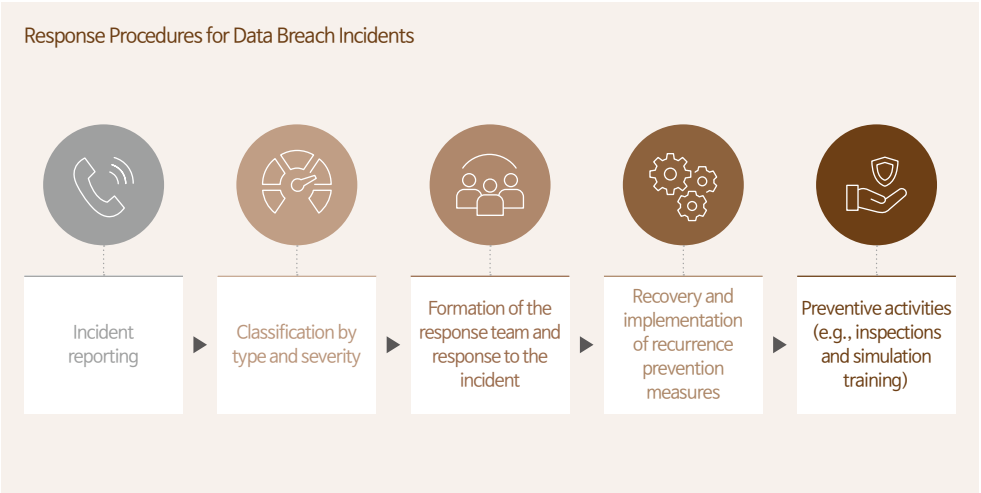
HD Hyundai Oilbank undergoes annual external security assessments conducted by an affiliated group company. These assessments help identify vulnerabilities and areas for improvement across various domains, including ▲ management security, ▲ physical security, ▲ IT security, and ▲ personal information protection, and take remedial actions based on the results.

Diagnosis Items	Item Details	Number of Items(185 in total)
Management security	Security policies, security organizations, supplier security management, drawing management, etc.	43 items
Physical security	Access control standards for security zones in business sites	43 items
IT security	Security management for information systems (e.g., servers, databases)	44 items
Personal information protection	Lifecycle management of personal information, safeguarding measures, etc.	55 items

Data Breach Response and Prevention

Response Procedures

HD Hyundai Oilbank has established data breach response procedures to ensure effective countermeasures and minimize damage in the event of incidents involving the destruction of IT assets, unauthorized modification or tampering of information assets, or data leaks. To further safeguard the rights of data subjects and fulfill liability obligations, we maintain liability insurance coverage for breach incidents.



External Security Operations of Personal Information Processing

HD Hyundai Oilbank ensures a secure environment for personal data processing by segregating the relevant network infrastructure. To further minimize risk, we conduct at least one annual audit of third parties entrusted with personal information processing tasks. Moreover, we have established a personal information detection system to manage personal data files (e.g., deletion and encryption) more effectively.

Compliance

Governance

Implementation Organization

Compliance Officer

HD Hyundai Oilbank has established compliance control standards to promote fair and transparent business practices in adherence to applicable laws and regulations. These efforts also aim to ensure the company’s sound growth and to earn the trust of our customers. In this regard, the Board of Directors appoints a “Compliance Officer,” who is responsible for overseeing compliance-related education, programs, and compliance control standards.

Anti-Corruption Officer

HD Hyundai Oilbank operates an anti-corruption management system under the leadership of an Anti-Corruption Officer, appointed by the Board of Directors and the Chief Executive Officer. The manager is responsible for conducting corruption risk management and monitoring, and for leading awareness-raising initiatives related to anti-corruption.

Fair Trade Chief Compliance Officer

To oversee the Fair Trade Compliance Program, HD Hyundai Oilbank has appointed a “Chief Compliance Officer (CCO).” The program is implemented through voluntary compliance inspections, educational programs, and legal advisory services.



Compliance and Business Ethics Policy

[View the full text ↗](#)

HD Hyundai Oilbank has established and enforces a policy governing compliance management and fair trade practices. Guided by our core corporate values, we are committed to becoming a respected company that contributes meaningfully to our customers, shareholders, the nation, and society. We pursue sustainable management by fulfilling our corporate social responsibilities and roles.

Anti-Corruption Management System (ISO 37001)

In 2024, HD Hyundai Oilbank obtained ISO 37001, the international standard for anti-corruption management systems, to implement its anti-corruption management system more efficiently by comprehensively identifying and managing internal and external issues, stakeholders’ needs, and corruption risks.

ISO37001 certificate



Communication Channels

To foster a transparent and fair corporate culture, HD Hyundai Oilbank operates dedicated inquiry and reporting channels:

HD Hyundai Group Reporting Channel	Fair trade consultation channel	Internal communication channel
Group Business Ethics Webpage ↗	Email to responsible personnel: - mbpooh@hd.com - spawn12@hd.com	Contact relevant personnel in the Legal Affairs and Fair Trade organizations.

Compliance

Strategy

Embedding Compliance Capabilities

HD Hyundai Oilbank provides ongoing training to enhance employees’ capabilities with the goal of promoting voluntary legal compliance and fostering a culture of fair trade. We provide regular compliance training to all employees and deliver specialized training to departments identified as high-risk through risk assessments. In addition, we develop and implement job-specific training programs.

Category	Program Name	Target Audience	Training Hours(Cumulative)
Compliance	Company-wide regular compliance training	All employees	4,016 hours
	Specialized compliance training (economic sanctions, fair trade, anti-corruption, illegal dispatch)	Departments classified as medium-risk	1,300 hours
	Training for compliance managers	Departmental compliance managers	105 hours
Fair trade	Fair Trade Law training for the sales unit	Sales Division	148 hours
	Subcontracting transaction training	Procurement personnel	38 hours

Fair Trade Column Publication

Since 2024, HD Hyundai Oilbank has been publishing a Fair Trade Column in its internal newsletter to enhance employee understanding of fair trade practices and support their practical application.

March

The Origin of the Fair Trade Act and the Sherman Act

May

Practical Understanding of Subcontracting Transactions

July

Compliance Program (CP)

September

Corporate Disclosure System

November

The EU’s Compliance Soft Power: The Brussels Effect

Focus on

Risk Management

Risk Management

Compliance Risk Assessment

HD Hyundai Oilbank assesses the likelihood, severity, and employee awareness of violations across five major compliance areas to prevent legal breaches by the company and its employees. Identified risks are categorized by their level, and corresponding countermeasures are developed to effectively manage them.

Risk Assessment	Follow-Ups
• Evaluation areas: Fair trade, subcontracting, illegal dispatch, anti-corruption, economic sanctions • Method: Written self-assessment surveys • Evaluation targets: All departments	• Conducting risk status checks for high-risk areas • Developing and executing response measures for medium- to high-risk items • Delivering regular and ad-hoc compliance training for employees

Review of Anti-Corruption Management System Implementation

HD Hyundai Oilbank verifies compliance with and the effective implementation of its anti-corruption management system through annual internal audits and evaluations conducted for the Legal Affairs Team and 31 related business teams. Identified risks are addressed through corrective actions, with follow-up monitoring to ensure complete resolution.



Fair Trade Self-Compliance Program

HD Hyundai Oilbank conducts annual Fair Trade self-compliance program targeting key sales units to foster a fair and transparent trade culture.

Fair Trade Voluntary Compliance Inspections

- Inspection method: On-site inspection
- Target: Retail and sales strategy organization (17 organizations)

Business Ethics

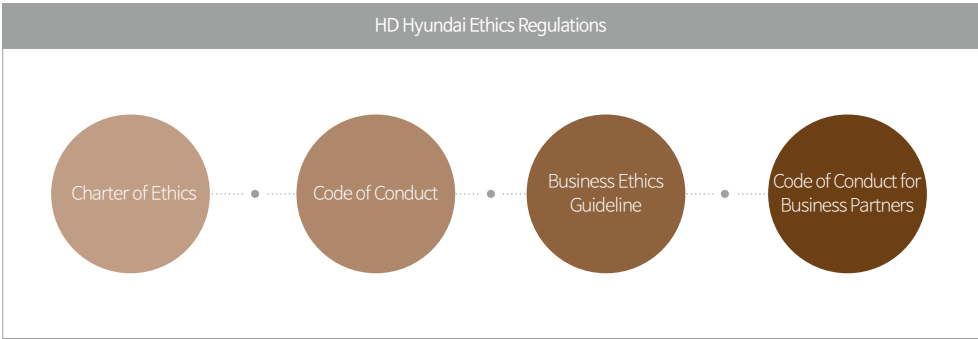
Governance

Business Ethics System

HD Hyundai Group Ethical Business Ethics System

[Website](#)

HD Hyundai Oilbank promotes ethical management in alignment with the HD Hyundai Group's ethical standards, including the "Charter of Ethics" and "Code of Conduct." We are implementing an Business Ethics Activities to establish a systematic and practical ethical management system, while enhancing the ethical awareness of executives and employees through education and promotional campaigns.



Charter of Ethics

The Charter of Ethics articulates HD Hyundai's foundational management philosophy rooted in ethical management, and serves as a guiding standard for performing corporate social responsibilities and inherent roles.

Code of Conduct

HD Hyundai has established a "Code of Conduct" that expands on its Charter of Ethics by domain, outlining specific standards of conduct and judgment that all employees are required to follow. Additionally, the "Business Ethics Guideline" sets forth expected standards of behavior in transactions with HD Hyundai, supporting effective ethical management.

Direction for Promoting Business Ethics

Through ethical management, HD Hyundai Oilbank is committed to becoming a "company that customers and suppliers want to do business with," a "company that shareholders want to invest in," a "company that employees want to work for," and a "company that fulfills its responsibilities to government institutions and local communities."

Stakeholder	Value Up Measure		
Consumers	Promoting customer's interest	Quality improvement	
Shareholders	Strengthening corporate value	Providing transparent business management information	Appropriate dividend
Employees	Respect for human rights and privacy	Improving working conditions	No discrimination
Suppliers/Competitor	Fair business practice	Safeguarding technical and commercial confidentiality	Fair scout
Local Community	Eco-friendly management	Social contribution	
Government	Maintaining sound and fair relationship	Cooperation in policies	Faithful taxpayer

Business Ethics

Strategy

Business Ethics Activities

HD Hyundai Oilbank and its affiliates are undertaking various activities to uphold transparent and fair management grounded in ethical standards.

Commitment to Business Ethics Management	Require employees and suppliers to submit an ethical management practice pledge annually.
Conflict of Interest Reporting System	Require employees of HD Hyundai Oilbank and suppliers to submit an annual conflict of interest report.
Clean Notice System	When employees receive gifts from stakeholders, they must return them or donate them to the charities.
Clean National Holiday Campaign	Send letters to suppliers each holiday urging them to refrain from giving gifts or money, and inform employees to avoid accepting gifts.
Ethical Violation Reporting and Whistleblower Protection	Operate a reporting system to prevent unethical conduct and ensure protection for whistleblowers.
Business Ethics Self-Evaluation	Operate a self-evaluation system to help employees enhance the understanding of business ethics.
Business Ethics Field Sessions	Gather feedback on areas requiring improvement through field visits and verify implementation.
Training and Promotion of Business Ethics	Provide group and online education on ethical management annually.

Risk Management

Business Ethics Risk Management

Inspection of Business Processes through Operation of Ethical Management TF

In October 2023, HD Hyundai Oilbank established an Ethical Management TF, separate from the HD Hyundai Group’s ethical management organization, to effectively carry out ethical management activities at HD Hyundai Oilbank and affiliated business sites that are geographically distant. The Ethical Management TF, reporting directly to the head of the Safety and Production Division, plays a proactive role in preventing ethical risks within the business sites by conducting ethical management pre-inspections.



Operation of Ethical Management Reporting Channels

HD Hyundai Oilbank and its affiliates accept reports of violations of the ethics regulations and various laws and regulations through an online reporting window available 24/7 on the group’s integrated business ethics website. Reports of unethical behavior can be submitted through this channel, as well as via phone calls, faxes, and other methods. Additionally, we operate a reward system that provides incentives to reporters in accordance with the whistleblower protection system and internal reward criteria. In 2024, a total of 13 reports were received through this reporting channel, of which 6 were investigated for suspected violations of ethical management. One case was confirmed as a violation, and disciplinary actions were taken against the relevant employees in accordance with internal regulations and procedures. The remaining 7 cases were transferred to the appropriate departments, and the results of the follow-up actions were verified.

[Part3]

ESG Policy Book

- 88 Environmental Management Policy
- 90 Safety and Health Management Policy
- 92 Human Rights Management and Due Diligence Policy
- 98 Sustainable Supply Chain Policy
- 99 Compliance and Business Ethics Policy
- 101 Personal Information & Information Security Policy
- 103 Biodiversity Protection Policy

Environmental Management Policy

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1. Purpose

HD Hyundai Oilbank (hereinafter referred to as the “Company”) acknowledges environmental management as a core value of the utmost importance for its sustainable growth. The Company endeavors to minimize the environmental impact of all its management activities and hereby establishes this Policy as a means of fulfilling its social responsibility.

2. Scope

This Policy shall apply to all business sites of the Company and to all individuals working therein. The Company encourages all of its affiliates and suppliers to comply with this Policy or with policies of equivalent scope and effect. While the Company shall implement environmental management practices in accordance with this Policy, it shall give precedence to the applicable environmental laws and regulations of relevant jurisdictions.

3. Basic Principles (Commitments)

The Company recognizes environmental management as a top priority and makes continuous efforts to protect its employees, suppliers, customers, and local communities from accidents, while minimizing the environmental impact of its business operations.

1. The Company invests human and material resources to continuously enhance its environmental management capabilities.
2. The Company addresses hazards and risk factors at its business sites to develop a safe working environment.
3. The Company enhances its environmental management standards through activities that involve listening and engaging with the opinions of the members.
4. The Company establishes procedures to prepare for disasters and implements measures to prevent recurrence in the event of an accident.
5. The Company conducts its business with suppliers who demonstrate sufficient environmental management competencies.
6. The Company strictly complies with all applicable environmental laws and regulations.
7. The Company provides training and education to enhance the environmental capabilities of its members.
8. The Company makes ongoing efforts to prevent pollution and conserve the environment through environmental management.
9. The Company transparently discloses its environmental performance both internally and externally and fulfills its corporate social responsibilities.

4. Specific Principles by Area (Goals)

The Company aims to achieve an ‘Eco-Friendly Company’ by adopting optimal environmental technologies and advancing its environmental management system.

Energy and Greenhouse Gas

The Company establishes an energy management system (EnMS) and formulates a vision and strategy for reducing energy consumption and greenhouse gas emissions. The Company conducts a prior energy review to enhance energy performance and efficiency in the process of design or procurement of facilities, equipment, products, and services that consume energy, and reflects the findings in its decision-making processes.

Air

The Company prevents environmental pollution caused by air pollutants by efficiently managing both direct and indirect air pollutants generated during the production process and strives to improve air quality. The Company strictly complies with legal emission standards and manages air pollutants by establishing internal standards that are stricter than legally permitted thresholds.

Water Quality

The Company strictly complies with legal emission standards for water pollutants generated across all its business sectors and establishes internal standards that are stricter than those legal thresholds. Through these efforts, the Company minimizes the environmental impact from the discharge of water pollutants and seeks to maintain a clean water environment. The Company also develops rapid and efficient recovery procedures to prepare for potential water pollution incidents.

Hazardous Chemicals

The Company prevents harm and risks to workers and the environment caused by hazardous chemicals it handles. The Company only purchases, and manages hazardous chemicals that have been confirmed through appropriate procedures. Furthermore, the Company responds swiftly to accidents caused by hazardous chemicals to safeguard the lives and property of all workers and protect the environment.

Environmental Management Policy

Raw Materials and Auxiliary Materials

The Company introduces and manages a system designed to minimize environmental impact and prevent unnecessary waste of resources. When introducing new raw materials and auxiliary materials, the Company conducts environmental impact assessments to ensure that their environmental impacts are minimized across all stages.

Waste

The Company establishes procedures for the collection, transportation, storage, and treatment of waste generated from its operations, and promotes the efficient use of resources and the recycling of waste to minimize waste generation. The Company complies with all applicable Korean and local laws and regulations when transporting waste across international borders.

Odor and Noise

The Company conducts periodic inspections of odor and noise levels in the vicinity of its plant and takes appropriate measures to identify sources and address any issues identified.

Soil

The Company prevents soil contamination resulting from the storage of raw materials, products, and other soil-contaminating substances. Furthermore, the Company prevents environmental harm arising from soil contamination and ensures the proper management and conservation of soil resources.

Marine

The Company establishes standards and procedures to prevent and mitigate marine pollution, including large-scale oil spills, and minimizes harm to marine life and ecosystems. Furthermore, the Company maintains comprehensive prevention systems—such as pollution control personnel, equipment, and alert protocols—and mobilizes all available resources in the event of a marine incident to minimize environmental damage.

Water

The Company efficiently utilizes water required for its processes and continuously identifies and implements measures to recycle used water, thereby minimizing water consumption. In addition, the Company monitors whether any of its business sites are located in regions at risk of water scarcity or depletion.

Environmental Accidents

In the event of an environmental incident involving the release of hazardous substances—such as hazardous chemicals, flammable materials, or waste—that results in environmental contamination or damage, the Company takes immediate action, investigates the cause of the incident, formulates and implements measures to prevent recurrence ensuring future events from occurring.

Environmental Monitoring

The Company regularly monitors and measures key operational characteristics and activities that may significantly impact the environment, identifying and managing the concentration of pollutants discharged from emission and pollution prevention facilities at all times.

Product Environmental Analysis

The Company analyzes the environmental impact of its products through life cycle assessments and communicates the results transparently to its customers. During product development, the Company considers, identifies, and mitigates environmental impacts at each stage—including raw material sourcing, transportation, and production—to promote sustainable production and consumption.

Customer Environmental Protection

The Company inspects each gas station to prevent customer exposure to emergencies or incidents—such as oil leaks, fires, or explosions—and maintains a “Gas Station Crisis Response Manual” to ensure a prompt response in the event of such emergencies or incidents.

5. Governance

The environmental management divisions at each business site shall adhere to this Environmental Management Policy and take the necessary actions to achieve the relevant goals. In the event of significant environmental issues, the ESG Committee under the Board of Directors may deliberate on, manage, and oversee the relevant matters as deemed necessary.

Safety and Health Management Policy

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[Back to main content \(p.49\)](#)

1. Purpose

HD Hyundai Oilbank (hereinafter referred to as the “Company”) acknowledges safety and health as a core value of the utmost importance for its sustainable growth. The Company endeavors to minimize the negative impacts related to safety of all its management activities and hereby establishes this Policy as a means of fulfilling its social responsibility.

2. Scope

This Policy applies to all of the Company’s business sites and all individuals (including regular employees, contract workers, and employees of suppliers, etc.) working within these sites. It also covers the safety and health of stakeholders, such as local communities and consumers near the business sites. The Company encourages all of its affiliates and suppliers to comply with this Policy or with policies of equivalent scope and effect. While the Company shall implement safety and health management practices in accordance with this Policy, it shall give precedence to the applicable safety and health-related laws and regulations of relevant jurisdictions.

3. Basic Principles (Commitments)

The Company recognizes safety and health as a top priority and makes continuous efforts to protect its employees, suppliers, customers, and local communities from accidents.

1. The Company invests human and material resources to continuously enhance its safety and health management capabilities.
2. The Company addresses hazards and risk factors at its business sites to develop a safe working environment.
3. The Company enhances its safety and health management standards through activities that involve listening and engaging with the opinions of the members.
4. The Company establishes procedures to prepare for disasters and implements measures to prevent recurrence in the event of an accident.
5. The Company conducts its business with suppliers who demonstrate sufficient safety and health management competencies.
6. The Company strictly complies with laws and regulations related to safety and health.
7. The Company provides training and education to enhance the safety and health capabilities of its members.
8. The Company transparently discloses its performance in the safety and health sectors both internally and externally and fulfills its corporate social responsibilities.

4. Specific Principles by Area (Goals)

The Company aims to realize a ‘Safety Well-being Company’ and to achieve ‘Zero Safety Accidents’ by advancing safety awareness and internalizing safe behaviors.

Safety Measures

The Company shall take measures to protect workers from risks arising from hazardous and dangerous machinery, improper work practices, or dangerous work environments, and to prevent health-related issues. Additionally, all workers shall inspect and patrol their areas to detect and correct any potential defects early, in order to prevent accidents within their respective areas of responsibility.

Health Measures

The Company shall conduct regular health checkups and work environment measurements to prevent various diseases and illnesses that may affect workers. Additionally, when handling hazardous substances, the Company shall install local exhaust ventilation systems, provide respiratory protection devices, implement noise reduction measures, and install temperature and humidity control systems, as well as take measures to prevent infectious diseases.

Voluntary Safety Culture

Both the Company and its workers shall recognize their respective roles and responsibilities in safety and health, protect themselves from hazardous and risky factors, and prioritize safety as a core value in all operations and management activities.

Risk Assessment

The Company conducts a ‘Job Hazard Analysis’ to identify hazardous and risk factors arising from construction, machinery, equipment, facilities, raw materials, gas, steam, dust, work activities, or other job-related tasks, to prevent worker injuries and illnesses. Additionally, the Company conducts a ‘Process Hazard Analysis’ to evaluate risks that may arise during factory changes and equipment operations, thereby reducing the likelihood of accidents.

Safety and Health Management Policy

Workplace Environmental Monitoring

The Company conducts 'Workplace Environmental Monitoring' to identify hazardous factors in the business site, such as chemicals, dust, noise, vibration, to safeguard employees' health, and to ensure a safe and comfortable working environment.

Health Promotion Activities

The Company conducts preventive activities, such as the 'musculoskeletal prevention and management program' and 'job stress management,' to maintain the optimal health of workers, including initiatives to prevent work-related diseases.

Safety and Health Training

The Company provides safety and health education and training to all workers, including officers, employees, and suppliers to ensure they are familiar with applicable safety and health regulations, clearly understand their roles and responsibilities, and are equipped to prevent and respond to safety incidents.

Emergency Response

The Company establishes emergency response procedures to prepare for critical incidents—such as fires, explosions, marine pollution, natural disasters (including typhoons, floods, and earthquakes), and process shutdowns—that may cause significant harm to individuals, facilities, or surrounding areas, thereby minimizing human and material losses both within and beyond the business site.

Safety of Suppliers

To select suppliers (qualified contractors) capable of taking industrial accident prevention measures, the Company specifies and mandates safety and health requirements in its contract terms, which suppliers are obligated to comply with. Additionally, the Company conducts safety assessments during the supplier registration evaluation, selection evaluation, and performance evaluation stages. Suppliers shall proactively manage safety and health to prevent accidents in all work activities, including construction, maintenance, and inspections.

Customer Safety

To protect customer safety and prevent emergencies and accidents (fuel leaks, fires, explosions, natural disasters, etc.) that may occur at gas stations, the Company establishes a manual for inspecting gas station facilities and conducts regular inspections. In order to ensure an expeditious response in the event of an emergency or accident, the Company operates a 'Gas Station Emergency Response Manual.'

5. Governance

The safety and health management divisions at each business site shall comply with safety and health management principles and perform related activities to achieve their goals. A safety and health plan shall be established and reported to the Board of Directors, and significant matters and issues regarding safety and health shall be deliberated and decided at the Industrial Safety and Health Committee and safety meetings at each business site.

Human Rights Management and Due Diligence Policy

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Chapter 1. General Provisions

Article 1 (Purpose)

This regulation aims to establish the general principles of human rights management to protect and promote the human rights of stakeholders, including the officers and employees of HD Hyundai Oilbank (hereinafter referred to as the “Company”).

Article 2 (Definitions and Interpretation)

- ❶ The terms used in this Policy shall have the following meanings:
1. “Human rights” refer to the dignity, value, freedoms, and rights of individuals as guaranteed by the Constitution and applicable laws, as well as those recognized by international norms outlined in the HD Hyundai Oilbank Human Rights Management Declaration.
 2. “Human rights management” refers to the Company’s efforts to respect and protect human dignity and value, and to prevent human rights violations throughout all business operations. This includes the declaration of this policy, the conduct of human rights due diligence, the provision of grievance mechanisms for victims of such violations, and the delivery of human rights education to officers and employees. It also includes transparent disclosure of human rights management outcomes through communication with stakeholders.
 3. “Officers and employees” include the Company’s officers, individuals employed under an employment contract with the Company (including non-regular workers), and temporary or dispatched workers.
 4. “Stakeholders” refer to parties that are directly impacted by the Company’s business activities. This includes officers and employees of the Company and its subsidiaries, as well as labor representatives. Where necessary, officers and employees of partner companies with which the Company maintains direct contractual relationships may also be deemed stakeholders.

Article 3 (Scope)

- ❶ This regulation applies to all domestic and overseas officers, employees, and stakeholders. For officers and employees working abroad, laws and regulations of relevant jurisdictions shall apply.
- ❷ This regulation shall govern the Company’s human rights management practices, except where otherwise provided by applicable laws or the articles of incorporation.

Chapter 2. General Principles of Human Rights Management

Article 4 (Basic Principles)

The Company upholds and complies with internationally recognized human rights standards and guidelines, including the UN Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct, the ILO Declaration on Fundamental Principles and Rights at Work, and the EU Corporate Sustainability Due Diligence Directive (CSDDD). The Company shall establish a human rights due diligence system integrated into its risk management framework as a key means of implementing human rights management.

Article 5 (Implementation of Human Rights Management)

In compliance with the general principles set forth in this chapter, the Company shall respect human dignity and value, take preventive measures against human rights violations, and make proactive efforts to provide remedies.

Article 6 (Respect for Right to Life)

The Company shall regard the right to life as the highest priority in all business activities. It shall identify and eliminate risk factors—such as industrial accidents and hazardous environments—that may arise during the course of business, and shall devise safety measures to prepare for emergency situations.

Article 7 (Humane Treatment)

The Company strictly opposes all forms of torture and inhumane treatment and actively strives to prevent physical or mental inhumane treatment in advance in order to realize human dignity and value. In cases of inhumane treatment, strict measures shall be taken in accordance with relevant regulations, and proactive efforts shall be made to provide relief.

Article 8 (Right to Physical Freedom and Safety)

The Company shall guarantee the right to physical freedom and safety for all individuals, and shall not tolerate any form of arbitrary or unlawful detention.

Article 9 (Prohibition of Invasion of Privacy)

The Company shall respect the privacy of individuals and shall not engage in arbitrary or unlawful interference with personal matters such as domestic affairs, family, or communications. It shall implement strict information security policies to protect personal information and prevent any violations thereof.

Human Rights Management and Due Diligence Policy

Article 10 (Respect for Diversity, Prohibition of Discrimination, and Freedom of Thought, Conscience, and Religion)

The Company respects and embraces diversity in all its corporate activities and guarantees the freedom of thought, conscience, and religion. The Company prohibits any form of discrimination, including but not limited to differences in compensation or opportunities based on gender, age, race, disability, religion, sexual orientation, political views, thought, conscience, or region of origin. It offers fair opportunities and guarantees the dignity of all members.

Article 11 (Guarantee and Improvement of Working Conditions)

The Company provides fair wages and a safe, healthy working environment for its officers and employees. The Company adheres to the legal working hours stipulated in each country in which it operates and ensures that workers receive a living wage. In addition, the Company provides appropriate compensation to all officers and employees, accompanied by pay statements.

Article 12 (Rights Related to Company Housing Provision)

When the Company provides housing, it ensures that employees have unrestricted access to basic necessities—such as food, water, clothing, and hygiene—within an appropriate living environment.

Article 13 (Prohibition of Child Labor)

The Company shall not employ children under the minimum age of 15 years, as stipulated by recognized international standards and applicable laws. Prioritizing the health and education of children, the Company complies with all relevant laws and international regulations to prevent their economic exploitation or involvement in hazardous work. (In certain developing countries, the minimum age recognized by the ILO may be 14 years; in such cases, the Company may comply with the applicable national laws and ILO standards.) In particular, the Company strictly prohibits children from engaging in slave labor, human trafficking, or any form of harsh labor under any circumstances and ensures that children are not exploited for illegal activities, especially crimes such as drug production or trafficking. Moreover, the Company fulfills its obligation to protect children from infringements on their health, morality, and rights, and conducts thorough due diligence to prevent such violations within the supply chain.

Article 14 (Prohibition of Forced Labor)

The Company prohibits all forms of forced labor, including slavery and human trafficking, and ensures that all labor within its operations is voluntary. If any instances of human bondage, including debt slavery or other exploitative labor practices, are discovered, the Company shall take immediate corrective action.

Article 15 (Guarantee of Freedom of Association and Collective Bargaining)

The Company guarantees the right to freedom of association and collective bargaining in accordance with the Constitution and labor relations laws of the Republic of Korea. It shall not subject individuals who form, join, or participate in labor union activities to any form of discrimination.

Article 16 (Prevention of Workplace Bullying and Sexual Harassment)

The Company recognizes that workplace bullying and sexual harassment are unlawful acts that undermine morale and productivity. Officers and employees shall actively cooperate in the prevention and eradication of such behavior.

Article 17 (Safety and Health)

The Company promotes occupational safety and health by fostering safe and healthy working conditions.

Article 18 (Responsible Supply Chain Management)

In pursuit of responsible supply chain management, the Company treats its suppliers fairly, supports them in practicing human rights management, and endeavors to ensure that the distribution processes and outcomes of its products and services do not adversely affect human rights.

Article 19 (Conflict Minerals)

The Company excludes the use of minerals sourced from conflict-affected regions, in accordance with international standards such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. It also strives to establish a transparent and ethical supply chain in this regard.

Article 20 (Guarantee of Environmental Rights)

The Company complies with applicable domestic and international environmental laws and regulations, sets goals for environmental improvement in its operations, and regularly evaluates their appropriateness with the aim of preventing environmental pollution—such as soil and water contamination or excessive resource consumption. In addition, it adopts sustainable management practices to safeguard the environment.

Article 21 (Protection of the Human Rights of Local Residents)

The Company respects the rights of local communities to access land and natural resources. It takes care to ensure that the rights of residents to utilize and inhabit land, forests, and water resources—essential for maintaining a safe

Human Rights Management and Due Diligence Policy

and healthy livelihood—are not infringed upon through unlawful eviction, deforestation, or resource exploitation. In matters concerning the use of land and resources in local communities, the Company seeks the consent of local residents and adheres to transparent procedures.

Article 22 (Protection of Customer Rights)

The Company strives to protect the health, safety, and personal information of its customers and adheres to principles of fair treatment and non-discrimination for all customers. Furthermore, it provides transparent information regarding its products and services, ensures accessibility, and establishes appropriate procedures for receiving and resolving human rights-related complaints raised by customers.

Chapter 3. Human Rights Management System

Article 23 (Human Rights Management Declaration)

The Company declares its commitment to human rights management to guarantee human dignity and value across all management activities. Officers and employees of the Company shall practice the human rights management declaration as a code of conduct and a standard for value judgment.

Article 24 (Governance)

- ① To respect human rights in all its management activities, the Company establishes an internal system required to implement human rights management. The governance structure for human rights management within the Company consists of the ESG Committee under the Board of Directors, the Human Rights Management Division of the ESG Promotion Council, a dedicated organization, and other related departments.
- ② The roles and responsibilities of each entity are as follows:
1. ESG Committee shall be the highest decision-making body regarding human rights matters. It deliberates and approves major issues related to human rights management.

2. ESG Chief Executive Officer establishes the Human Rights Management Division under the ESG Promotion Council and serves as its chair. However, depending on the internal needs of the Company, a separate chair may be appointed.

3. The Human Rights Management Division of the ESG Promotion Council makes decisions on the Company’s human rights management and reviews performance to ensure that human rights management practices are being properly implemented. The Human Rights Management Division of the ESG Promotion Council reviews the human rights management policies every twenty-four (24) months and revises them as necessary. The composition and responsibilities of the Human Rights Management Division of the ESG Promotion Council are detailed in Chapter 4.

4. The dedicated organization for human rights management is responsible for practical tasks such as identifying human rights risks and areas for improvement through due diligence or other methods, monitoring and reporting issues, managing internal and external reporting and disclosures, and providing human rights education.
5. Related departments (HR, compliance, assets, procurement, security, safety, environment, and others specific to the Company’s needs) support and cooperate in the implementation of human rights management, including human rights due diligence.

Article 25 (Dedicated Organization)

- ① The Company designates a dedicated organization for human rights management (hereinafter referred to as the “dedicated organization”) to systematically implement policies for promoting human rights, including policy development, execution, and education.
- ② The responsibilities of the dedicated organization include:
1. Conducting annual human rights inspections.

2. Establishing and implementing annual human rights improvement plans.

3. Implementing human rights education.

4. Reviewing and updating due diligence policies to ensure compliance with global norms.

5. Addressing any other matters deemed necessary by the Company or the chair of the Human Rights Management Division.

Article 26 (Human Rights Education)

The Company conducts regular human rights education for its officers and employees to foster awareness of human rights protection and respect.

1. Education is delivered through various formats, including online training, group sessions, and educational materials, with the timing and method selected as appropriate.

2. The Company may also provide human rights education to stakeholders, including dispatched employees and those employed by partners.

Article 27 (Support for Human Rights Implementation Activities)

The Company may take necessary actions to promote the protection of human rights and the enhancement of human rights values. Furthermore, it may provide support to human rights-related organizations or groups, as well as to partners engaged in human rights initiatives.

Human Rights Management and Due Diligence Policy

Chapter 4. Human Rights Management Division of the ESG Promotion Council

Article 28 (Establishment and Function)

A Human Rights Management Division (hereinafter referred to as the “Human Rights Management Division”) shall be established under the ESG Promotion Council to make reports and deliberate on the following matters intended to protect and enhance the human rights of stakeholders, including officers and employees:

1. Matters concerning the declaration of human rights management and the enactment and revision of this regulation.
2. Matters concerning the establishment of a basic plan for human rights management.
3. Matters concerning the conduct of due diligence in accordance with the level required by global standards.
4. Matters concerning human rights education.
5. Matters concerning the implementation of improvement measures in the area of human rights.
6. Matters concerning human rights-related grievances and remedies.
7. Matters concerning communication with human rights-related stakeholders and meaningful participation activities.
8. Other matters necessary for the protection and promotion of human rights.

Article 29 (Composition)

- ① The Human Rights Management Division shall be composed of officers or team leaders (department heads) from relevant departments, with one chairperson.
- ② The chairperson shall represent the division and oversee its activities. If the chairperson is unable to fulfill their duties due to unavoidable circumstances, a pre-designated proxy will assume the role.
- ③ The Human Rights Management Division shall also have a secretary responsible for handling the division’s affairs.

Article 30 (Meetings and Quorum)

- ① The Human Rights Management Division shall hold regular meetings twice a year and may convene extraordinary meetings as deemed necessary by the chairperson or upon request by more than one-third of the attending members.
- ② The meeting shall be convened with the attendance of a majority of members, and resolutions shall be passed by a majority of those present.
- ③ In principle, the meetings are held in person; however, for minor or urgent matters, decisions may be made through a written meeting.
- ④ The secretary shall prepare the minutes of the meeting and maintain the records.

Article 31 (Request for Opinions and Submission of Materials)

- ① The Human Rights Management Division may, when necessary, request the attendance of relevant parties or individuals associated with the meeting agenda to gather their opinions.
- ② It may also request the submission of materials related to the meeting agenda from related departments or other stakeholders.
- ③ Furthermore, the Human Rights Management Division may solicit participation and opinions from external advisors, if deemed necessary.

Article 32 (Confidentiality)

All attendees of the Human Rights Management Division meetings shall not disclose any information obtained during the course of their duties.

Article 33 (Avoidance of Conflicts of Interest)

Members of the Human Rights Management Division who hold a personal interest in a specific agenda item shall be excluded from the discussions and resolutions concerning that item.

Article 34 (Term of Office of Members)

Internal members shall serve as ex officio members.

Article 35 (Dismissal of Members)

A member of the Human Rights Management Division may be dismissed before the expiration of their term if they fall under any of the following circumstances:

1. Where they fail to perform duties in a faithful manner;
2. Where they leak confidential information obtained during the course of performing their duties;
3. Where they are unable to perform duties due to illness or other reasons;
4. Where they are involved in human rights violations;
5. Where they undergo a change in the position held at the time of appointment; or
6. Where their conduct impairs the dignity of the office or is otherwise deemed inappropriate for the performance of duties.

Article 36 (Conducting Human Rights and Environmental Due Diligence)

- ① The Company shall conduct human rights and environmental due diligence (hereinafter referred to as “due diligence”) at least once annually in accordance with Chapter 5.

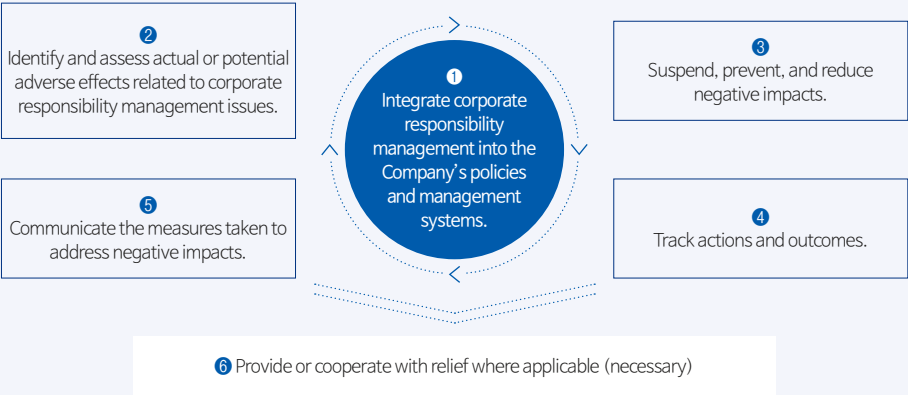
Human Rights Management and Due Diligence Policy

- ② The Human Rights Management Division may additionally conduct due diligence if it determines that a particular policy or initiative may significantly impact the human rights of stakeholders, including officers and employees.
- ③ The dedicated human rights management organization shall oversee the due diligence process and may request relevant materials from each department.
- ④ Due diligence may be delegated to and conducted by an external specialized agency.
- ⑤ The results of the due diligence shall be submitted to the Chief Executive Officer after deliberation by the Human Rights Management Division.
- ⑥ Where appropriate, a separate plan detailing specific procedures and methodologies for conducting due diligence may be established and implemented on a case-by-case basis.

Chapter 5. Human Rights and Environmental Due Diligence

Article 37 (Purpose and Approach of Due Diligence)

The Company conducts due diligence in compliance with the EU Corporate Sustainability Due Diligence Directive (CSDDD), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the OECD Due Diligence Guidance for Responsible Business Conduct. Through due diligence, the Company identifies negative impacts on human rights and the environment across its activity chains, including its business operations, subsidiaries, and suppliers. It then takes appropriate measures to prevent, mitigate, and resolve these impacts.



Article 38 (Identification and Assessment of Negative Impacts and Setting of Priorities)

- ① Due diligence identifies and evaluates actual or potential negative impacts arising from the Company's operations, subsidiaries, and activities of suppliers.
- ② If areas with significant potential negative impacts are identified, a more in-depth assessment shall be conducted.
- ③ If it is not possible to address all negative impacts simultaneously, priorities will be determined based on their severity and likelihood, with appropriate measures specified in [Articles 39 and 40].

Article 39 (Prevention and Mitigation of Potential Negative Impacts)

- ① A prevention action plan shall be established to prevent identified potential negative impacts, and appropriate measures shall be implemented.
- ② The Company shall require primary suppliers to guarantee compliance with the Company's code of conduct and, where necessary, preventive action plans. If required, similar contractual guarantees shall be sought from secondary suppliers.
- ③ If the potential negative impact cannot be prevented or adequately mitigated despite the Company's requested action plans or contractual guarantees, the Company shall (1) refrain from entering into new contracts or extending existing ones with suppliers associated with the negative impact. As a last resort, the Company may suspend or terminate the business relationship; (2) require the prompt adoption and implementation of an enhanced preventive action plan if there is a reasonable expectation that specific remedial measures will be successfully implemented, in accordance with the legal provisions governing contractual relationships in the relevant country; and (3) seek to utilize or enhance its leverage by temporarily suspending the business relationship related to the identified risks.

Article 40 (Prevention and Mitigation of Actual Negative Impacts)

- ① A corrective action plan shall be established to address identified actual negative impacts, and appropriate measures shall be implemented.
- ② The Company shall require primary suppliers to guarantee compliance with the Company's code of conduct and, where necessary, corrective action plans. If required, similar contractual guarantees shall be sought from secondary suppliers.
- ③ If the actual negative impact cannot be addressed or adequately minimized despite the Company's requested action plans or contractual guarantees, the Company shall (1) refrain from entering into new contracts or extending existing ones with suppliers associated with the negative impact. As a last resort, the Company may suspend or terminate the business relationship; (2) require the prompt adoption and implementation of

Human Rights Management and Due Diligence Policy

an enhanced corrective action plan if there is a reasonable expectation that specific remedial measures will be successfully implemented, in accordance with the legal provisions governing contractual relationships in the relevant country; and (3) seek to utilize or enhance its leverage by temporarily suspending the business relationship related to the identified risks.

Article 41 (Participation of Stakeholders)

During the due diligence process, the following matters shall be carried out through consultation with stakeholders within a reasonable scope, and sufficient information shall be provided to stakeholders when appropriate.

1. Identification and evaluation of negative impacts, and collection of information for setting priorities as outlined in Article [38].
2. Establishment of preventive action plans and corrective action plans as outlined in Article [39] (1) and Article [40] (1).
3. Adoption of appropriate measures to correct negative impacts as outlined in Article [39] (1) and (2) and Article [40] (1) and (2).

Article 42 (Procedures for Filing Grievances and Notifications Regarding Negative Impacts)

- ① Individuals and organizations experiencing or concerned about actual or potential negative impacts may report their concerns to the organization responsible for handling grievances.
- ② The grievance handling organization may recommend that the wrongdoer cease the infringement, request disciplinary action in accordance with Company regulations, or report the issue to the National Human Rights Commission or relevant investigative agencies.
- ③ If the grievance is substantiated, it shall be shared with the dedicated organization.
- ④ All officers and employees involved in the grievance handling process, including the grievance handling organization, related departments, and responsible staff, shall maintain confidentiality regarding the reporter and take necessary measures to prevent retaliation against the reporter.
- ⑤ Individuals and organizations with information or concerns about actual or potential negative impacts may report them anonymously or confidentially to the grievance handling organization.
- ⑥ The person filing a grievance under Paragraph (1) has the following rights:
 1. The right to request appropriate follow-up actions regarding the grievance from the Company.
 2. The right to meet with an appropriate representative of the Company to discuss the serious impact and potential remedies when the grievance concerns significant actual or potential negative impacts on human rights or the environment.

3. The right to be informed of the reasons why the grievance is considered well-founded or unfounded, and the measures taken or to be taken by the Company if the complaint is substantiated.

Article 43 (Monitoring)

- ① When significant changes occur in the business, such as a new economic management activity, the start of operations in a new region, or the production of a new product, or when there are reasonable grounds to believe a new negative impact may arise, the Company shall evaluate the implementation and effectiveness of the due diligence measures without delay. If no significant changes or risks occur, this evaluation shall take place at least every five (5) years.
- ② Based on the evaluation results, the due diligence policy and the identified negative impacts, along with the measures to be taken, shall be updated as appropriate.

Article 44 (Reporting)

The Company shall prepare a due diligence report in both Korean and English annually, detailing the identified risks, measures taken, and other relevant information. This report shall be made publicly available on the Company's website. However, depending on internal needs, the due diligence content may be included in other external reports, such as the Sustainability Management Report, rather than in a separate report.

Article 45 (Operation and Data Retention)

- ① The Company shall review the due diligence process policy at least once every twenty-four (24) months and revise it as necessary. In the event of a significant change, the policy shall be revised without delay.
- ② The Company shall retain all data collected and produced during the due diligence process for a minimum of 5 (five) years.

Sustainable Supply Chain Policy

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1. Purpose

HD Hyundai Oilbank (hereinafter referred to as the “Company”) establishes this Policy to engage in sustainable business by taking into account the environmental, social, and governance (ESG) risks associated with its suppliers, with a view to ensuring sustainable supply chain management.

2. Scope

This Policy shall apply to the Company and all of its officers and employees. The Company encourages all of its affiliates and suppliers to comply with this Policy or with policies of equivalent scope and effect. The Company will carry out supply chain management in accordance with this Policy, ensuring priority adherence to local laws and regulations.

3. Basic Principles

The Company shall develop a sound and sustainable supply chain in cooperation with its suppliers.

1. The Company is committed to enhancing its supply chain by taking ESG risks into account.
2. Where necessary, the Company may provide support to enhance its suppliers’ ESG capabilities in pursuit of a more sustainable supply chain.
3. The Company prioritizes the procurement of green products that reduce energy and resource consumption while minimizing greenhouse gas emissions and environmental pollutants.
4. The Company shall strictly prohibit engaging in unlawful activities, including but not limited to armed conflicts, the trafficking of hazardous substances, narcotics, and the production of weapons of mass destruction, and shall comply with international resolutions that restrict the trade and distribution of items that negatively impact global peace and security.

4. Specific Principles by Area

In collaboration with its suppliers, the Company is committed to creating a safe and healthy working environment, respect the human rights of all workers, and develop a sustainable supply chain where environmental responsibilities and ethical business practices are upheld.

Supplier ESG Risk Management

The Company may conduct ESG assessments in consideration of the risks posed by its suppliers and the significance of the transactions involved. Additionally, the Company may carry out written evaluations or on-site

inspections (hereinafter referred to as the “Supplier ESG Evaluation”) through external evaluation agencies. The items subject to supplier ESG risk management are as follows:

- Environment: Environmental strategy, environmental management, compliance with environmental laws and regulations, environmental performance and management, greenhouse gas emissions and reduction, etc.
- Society: Safety management, work environment, labor-management relations, worker training, quality control, etc.
- Management: Management safety, accounting transparency, business ethics, ESG management, etc.

Supplier Code of Conduct

The Supplier Code of Conduct shall address respect for human rights, safety and health, environmental protection, ethical conduct, and business management. All suppliers, as well as their officers and employees, shall adhere to this Code.

Purchase of Green Products

“Green products” refer to products certified under applicable national laws and regulations, products that reduce hazardous substances or waste, and other products that have obtained environmental certifications. The Company may prioritize the purchase of such green products.

Compliance with Economic Sanctions

The Company’s officers and employees shall have a thorough understanding of, and comply with, all applicable domestic and international economic laws and regulations, as well as the Company’s related compliance guidelines. The Company shall refrain from engaging in or being involved in any transactions that are restricted or prohibited under such laws and regulations.

5. Governance

The Company’s procurement organization undertakes activities to establish a sustainable supply chain. In the event of relevant issues, such matters may be deliberated, managed, and overseen by the ESG Committee under the Board of Directors.

Last Updated: April 2025

Compliance and Business Ethics Policy

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1. Purpose

HD Hyundai Oilbank (hereinafter referred to as the “Company”) aims to be a respected company that contributes to its customers, shareholders, the nation, and society, grounded in the core values of “Innovation leading the world, Fearless challenges, Respect for each other, Safety for all.” In addition, the Company establishes this Policy to foster sustainable management as part of its performance of social responsibilities and role.

2. Scope

This Policy applies to the Company, its affiliates, officers, employees, suppliers, and their employees (hereinafter referred to as “all stakeholders”). While the Company practices compliance and business ethics based on this Policy, it shall give precedence to the applicable environmental laws and regulations of relevant jurisdictions.

3. Basic Principles

The Company and all stakeholders shall comply with social norms and order, striving for the sustainable development of the Company through transparency and fairness in all management activities.

1. The Company and all stakeholders shall adhere to domestic and international laws, as well as the Company’s regulations and guidelines, ensuring that all decisions are based on laws and principles and possess moral legitimacy.
2. The Company and all stakeholders shall fulfill their social responsibilities and obligations as members of the local community and contribute to the advancement of the nation and humanity.
3. The Company and all stakeholders shall not engage in illegal or unfair transactions in order to establish fair competition and an impartial trading order.
4. The Company and all stakeholders shall ensure transparency and fairness in transactions between the Company and its suppliers, building mutual trust.
5. The Company and all stakeholders shall examine and reinforce internal control and management systems to ensure the systematic implementation of compliance and business ethics.
6. The Company and all stakeholders shall actively participate in related inspections, education, and training provided by the Company to understand and practice the importance of compliance and business ethics.
7. The Company and all stakeholders shall report any illegal, unfair, or corrupt activities through the whistleblowing system upon discovery, and the Company shall implement thorough measures to protect whistleblowers.

4. Specific Principles by Area

Corruption

The Company shall base its strategic management decisions on compliance with anti-corruption laws and shall establish and maintain an anti-corruption management system to ensure transparency and integrity in its management activities and business performance. The Company shall identify and assess potential corruption risks and evaluate the appropriateness and effectiveness of control measures to mitigate these risks. The Company shall set goals in line with the purpose of implementing the anti-corruption management system and continuously develop and promote related activities.

Integrity in Job Performance and Prevention of Bribery

All stakeholders shall not seek any form of economic or non-economic benefit from other stakeholders, such as suppliers, by abusing their superior position. Additionally, the Company shall not offer economic benefits, such as money or valuables, to domestic or foreign public officials, current or future business partners, or others for the purpose of obtaining personal or business-related illicit benefits.

Anti-Monopoly and Fair Trade

The Company and all stakeholders shall comply with fair trade laws when conducting business related to the Company. Furthermore, the Company and all stakeholders shall not direct, approve, condone, assist, or participate in violations of relevant laws and regulations. Officers and employees of the Company are strictly prohibited from any actions that restrict competition, such as monopolization and collusion, and shall comply with laws and regulations related to fair trade as well as the Company’s fair trade regulations and guidelines. The Company shall organize and operate a voluntary fair trade compliance program and conduct educational and inspection activities related to compliance.

Prevention of Conflicts of Interest

The Company and all stakeholders shall take steps to prevent conflicts of interest, and the Company’s officers and employees shall report any conflicts of interest in any transaction through the ‘Conflict of Interest Reporting System.’ Furthermore, the Company and all stakeholders shall immediately report to the relevant department if a conflict of interest with the Company has occurred or is likely to occur in relation to their duties. The Company shall establish and maintain a monitoring system to prevent conflicts of interest.

Compliance and Business Ethics Policy

Legitimate Use of Company Assets and Prevention of Money Laundering

The Company’s tangible assets and intangible assets, such as information, technology, and know-how, shall be used solely for approved business purposes, and its officers and employees shall be held accountable for any misappropriation or unauthorized disclosure of such assets. Company funds shall not be used for personal purposes and shall be expended only for official business activities. Officers and employees shall prevent the diversion of funds for money laundering or other illicit activities at the Company’s business sites and in its operating regions. The accounting department shall report any transactions suspected of violating anti-corruption laws, regulations, or the Anti-Corruption Act Compliance Guidelines to the responsible department and take appropriate actions as instructed.

Prevention of Fraudulent Acts

The Company applies a zero-tolerance policy to any fraudulent acts committed by its officers and employees. Fraud includes, but is not limited to, theft, misuse of funds or other resources, bribery and corruption, false accounting, and the provision of false information. Forgery of signatures or documents is strictly prohibited, and the actual use of resources or documentation shall correspond accurately with the supporting evidence.

5. Governance

The Company’s compliance, ethics, and fair trade departments shall carry out relevant activities to enforce this Policy and to achieve the stated goals. The Company shall appoint a Compliance Officer, an Anti-Corruption Officer, and a Fair Trade Compliance Officer. These officers, as delegated by the Board of Directors or the Chief Executive Officer, shall bear overall responsibility for the operation and management of the compliance and business ethics management system.

Personal Information & Information Security Policy

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1. Purpose

HD Hyundai Oilbank (hereinafter referred to as the “Company”) hereby establishes this Policy to ensure the secure protection and management of its assets and personal information.

2. Scope

This Policy applies to all tangible and intangible assets owned by the Company, as well as to personal information collected, used, provided, or managed through information and communication networks or written documents. It also applies to all Company officers and employees who handle or use such assets, as well as to suppliers, their officers and employees, and visitors to the Company (hereinafter referred to as “all stakeholders”).

3. Basic Principles

1. The Company shall establish and maintain a system for protecting its assets and personal information.
2. All stakeholders shall be responsible for the protection of assets and shall comply with applicable security regulations and bylaws.
3. All stakeholders shall collect personal information lawfully and fairly, and shall process such information solely to the extent necessary for its intended purpose and in compliance with applicable legal requirements.
4. All stakeholders shall recognize their role in security management and complete the Company’s security training programs to improve security practices and awareness.
5. All stakeholders may be subject to disciplinary action under the Company’s personnel rules, as well as civil and criminal liability in accordance with applicable laws and regulations, for any violations of the Company’s security regulations or bylaws.
6. The Company shall conduct security assessments to verify compliance with its security regulations and bylaws.
7. The Company shall establish and implement preventive measures and response procedures to address security incidents or personal information breaches.
8. All stakeholders shall promptly report any actual incidents or personal information breaches, or any signs of such incidents, to the responsible department.

4. Specific Principles by Area

General Information Security Management

The security management organization shall establish a security management system, which includes developing a security business plan and enacting or revising relevant regulations and bylaws to ensure the Company’s security management. Additionally, security status assessments and diagnostics shall be conducted to enhance the security level. A security review shall also be carried out in cases such as the routine management of the security system, the introduction of a new system, or changes to an existing system.

Personal Data Protection Measures

The Company and all stakeholders shall obtain consent from the data subject before collecting personal information, providing (sharing) it to third parties, or transmitting advertising information, and shall implement protection measures for personal information. Moreover, the Company and all stakeholders shall ensure that the utilization of personal information—including its collection, retention, use, provision, and transmission of advertising information—complies with the Company’s regulations and bylaws, as well as applicable laws and regulations. The data subject shall have the right to access, correct, or delete their personal information in accordance with the prescribed procedures.

Physical and Personnel Security

The Company shall designate protected areas—namely restricted regions, restricted areas, and controlled areas—based on their level of importance, and shall grant access rights for each protected area. In addition, entry standards for personnel, vehicles, and goods shall be defined, and security screenings shall be conducted accordingly.

The Company shall manage key personnel separately from other officers and employees and shall formulate and enforce job separation standards. The Company shall obtain confidentiality agreements from suppliers and their employees who enter into business contracts with the Company and perform relevant duties. Additionally, the Company shall implement required security measures, as stipulated by security rules and bylaws, when such contracts are modified or expired.

Personal Information & Information Security Policy

Document Security

Documents created, held, and used within the Company shall be categorized by type, with confidential documents clearly marked for easy identification. The retention period for confidential documents shall be managed by categorizing them into the following seven types based on security rules and bylaws: permanent, 20 years, 15 years, 10 years, 5 years, 3 years, and 1 year. In principle, the export of confidential information is prohibited. However, in exceptional cases related to business needs, appropriate measures, such as entering into a non-closure agreement with the recipient of the confidential documents, must be taken in accordance with security regulations and bylaws.

Information Asset Security

Information assets include electronic information and documented information stored in databases and files, as well as hardware and software such as servers, network equipment, PCs, and other facilities used for business operations. Information assets shall be classified and managed based on an assessment of their importance, considering the security requirements for confidentiality, integrity, and availability. Information assets must be secured through supplementary measures, such as user registration, authority management, authentication procedures, and access control, to prevent unauthorized access or external breaches.

Security Assessment

A security assessment may be conducted through various methods, such as interviews, document reviews, on-site inspections, assessments, and analysis, to verify the implementation of the Company's security regulations and bylaws. Assessments are categorized into regular, ad hoc, and special diagnoses. If necessary, the Company may undergo assessments (audits) conducted by third parties, such as the security management organization of HD Hyundai Group or external experts.

Security Report

All stakeholders shall report any security incidents, such as unauthorized damage, tampering, or leakage of the Company's major assets, to the security management organization and request an investigation. In the event of a personal information breach that may infringe upon the rights of the data subject, the Company shall report the incident to the Personal Information Protection Commission or the Korea Internet & Security Agency in writing or by other means.

Security Incident Response

The Company shall establish an incident response system, including monitoring and response methods, procedures, and response organizations, to enable prompt action in the event of information security incidents or personal data breaches.

Security Training

The security manager shall develop an annual security education plan to enhance the security awareness of officers and employees and provide specialized security management training to individuals handling critical tasks. Additionally, separate security training must be conducted for employees upon their onboarding or departure. Efforts shall be also made to improve the security awareness of partner companies by conducting security training or providing educational materials.

5. Governance

The Company shall establish a security organization to manage information security and personal data protection, and appoint a Chief Information Security Officer (CISO) and a Chief Privacy Officer (CPO). The CISO and CPO shall oversee all matters related to information security and personal data protection, including the enactment and revision of regulations and bylaws, the development and implementation of business plans, incident response and the prevention of recurrence. The Company shall form and operate a Security Committee as the governing body for making decisions on security management.

Biodiversity Protection Policy

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1. Purpose

HD Hyundai Oilbank (hereinafter referred to as “the Company”) recognizes the need to protect biodiversity for sustainable development and establishes this policy for the purpose of establishing and implementing a system for protecting and promoting biodiversity. The company has created this policy with reference to the Convention on Biological Diversity adopted by the international community under the leadership of the United Nations Environment Program (UNEP) and the Guidelines for Applying Protected Area Management Categories (IUCN) by the International Union for Conservation of Nature.

2. Scope of Application

The Company’s business sites, employees, etc. are subject to this Biodiversity Protection Policy. In addition, the Company recommends it to stakeholders such as the local communities, customers, and suppliers. The Company will carry out biodiversity assessment and protection activities based on this policy, and if there are local laws and regulations regarding natural habitat conservation, etc., we will comply with them as first priority.

3. Basic Principles

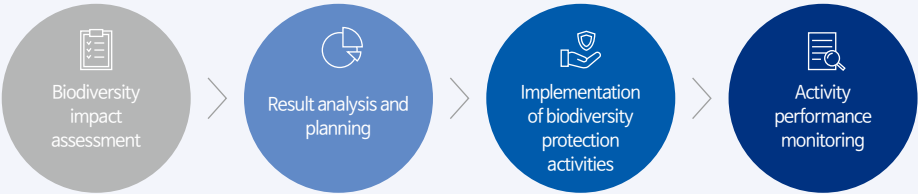
- ① By prioritizing efforts to protect biodiversity throughout its business operations, the Company will minimize damage to biodiversity. To this end, the Company will do its best to achieve “no net loss (NNL)” and “net positive impact (NPI)” in regard to biodiversity.
- ② To protect biodiversity, the Company will bolster partnerships with biodiversity-related organizations and establish collaborative relationships with local communities and professional organizations.
- ③ Through a biodiversity impact assessment, the Company will identify the dependence and impact of natural capital, focusing on the industries to which the Company belongs and major business locations, implement appropriate measures and response activities, and by continuously checking the effectiveness of the measures and activities, the Company will strive to minimize the impact on biodiversity.

4. Governance

The direction and goals of the Company’s Biodiversity Protection Policy and its implementation will be discussed in the ESG Working Group, whose members include executives in charge of each of the ESG-related matters. The Company pursues responsible governance to continuously manage and supervise biodiversity issues.

5. Stakeholder Communication

The Company will disclose details of its biodiversity protection activities through its official communication channel. We will also promote biodiversity protection efforts through communicating with stakeholders.



Last Updated: June 2024

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ESG data

Non-Financial Performance - Environment

Greenhouse Gas Emissions¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022		2023		2024						
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total		
GHG emissions	Total GHG emissions (Scope 1+2)		tCO ₂ eq	6,826,864	10,208,664	6,388,617	9,095,627	6,856,054	2,890,864	N/A	352,619	10,099,537	
	Scope 1 emissions		tCO ₂ eq	5,872,369	7,782,327	5,504,980	7,069,045	5,894,403	1,566,153	N/A	313,124	7,773,680	
	Direct emissions (Scope 1)	CO ₂	tCO ₂ eq	5,842,431	7,745,006	5,475,689	7,033,749	5,862,525	1,558,901	N/A	312,972	7,734,398	
		Direct emissions by GHG type ²⁾	CH ₄	tCO ₂ eq	24,496	30,866	23,660	28,880	26,010	6,357	N/A	61	32,429
			N ₂ O	tCO ₂ eq	5,441	6,454	5,631	6,416	5,868	895	N/A	91	6,854
	Indirect emissions (Scope 2)		tCO ₂ eq	954,496	2,426,337	883,637	2,026,583	961,651	1,324,711	N/A	39,495	2,325,857	

Category	Unit	2022	2023	2024			
		HDO	HDO	HDO	HDC	HSB	HOC
GHG emissions intensity ³⁾	tCO ₂ eq/ KRW billion	185.62	216.77	227.59	394.76	N/A	1,004.61

1) Includes directly-managed gas stations, logistics centers, Central Technology R&D Institute, and GRC.

- In accordance with the "Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading System," greenhouse gas emissions are calculated by converting emission values to tCO₂ eq, rounding to the fourth decimal place, and aggregating the results.
- The 2023 data has been revised to reflect the values certified by the Ministry of Environment.
- HD Hyundai Oilbank's greenhouse gas emissions data includes emissions from the company designated as a target for integrated management (HD Hyundai and Shell Base Oil).

2) Emissions of HFCs, SF₆, PFC, and NF₃ are not applicable, as these gases are not emitted.

3) GHG emissions intensity = GHG emissions ÷ Non-consolidated sales of each company (for HD Hyundai Oilbank, non-consolidated sales include those of HD Hyundai and Shell Base Oil)

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ESG data

Non-Financial Performance - Environment

Energy Consumption¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022		2023		2024							
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total			
Energy consumption	Total energy consumption		TJ	77,054	133,075	75,300	118,841	80,871	50,106	N/A	3,993	134,970		
	Subtotal		TJ	77,054	133,075	75,300	118,840	80,871	50,105	N/A	3,993	134,969		
	Non-renewable energy consumption	Direct energy consumption		TJ	57,982	91,644	57,645	82,778	61,539	29,559	N/A	3,168	94,266	
		Indirect energy consumption	Subtotal		TJ	19,072	41,431	17,655	36,062	19,332	20,545	N/A	825	40,703
			Electricity consumption	TJ	17,387	30,032	15,809	27,137	17,616	11,980	N/A	825	30,421	
			Steam consumption	TJ	1,685	11,399	1,845	8,925	1,716	8,566	N/A	0	10,282	
		Subtotal		TJ	0.098	0.178	0.229	1.244	0.225	0.764	N/A	0.078	1.067	
	Renewable energy consumption	Renewable energy consumption at the Daesan Plant		TJ	0.098	0.178	0.099	1.089	0.094	0.745	N/A	0.074	0.913	
		Renewable energy consumption at GRC ²⁾		TJ	N/A	N/A	0.130	0.155	0.131	0.019	N/A	0.004	0.154	

Category	Unit	2022	2023	2024			
		HDO	HDO	HDO	HDC	HSB	HOC
Energy consumption intensity ³⁾	TJ/KRW billion	2.1	2.55	2.68	6.84	N/A	11.38

1) Includes directly-managed gas stations, logistics centers, Central Technology R&D Institute, and GRC.
• In accordance with the "Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading System," energy consumption is calculated by converting values to TJ, rounding to the fourth decimal place, and aggregating the results.
• The 2023 data has been revised to reflect the values certified by the Ministry of Environment.
• HD Hyundai Oilbank's energy consumption data includes consumption from the company designated as a target for integrated management (HD Hyundai and Shell Base Oil).

2) The renewable energy consumption at GRC has been aggregated since 2023.

3) Energy consumption intensity = Energy consumption ÷ Non-consolidated sales of each company (for HD Hyundai Oilbank, non-consolidated sales include those of HD Hyundai and Shell Base Oil)

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ESG data

Non-Financial Performance - Environment

Air Pollutants¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022 ²⁾		2023 ²⁾		2024 ³⁾				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Air pollutants	Nitrogen oxides (Nox) emissions	kg	2,892,337	3,769,526	1,543,556	2,343,774	2,018,744	487,575	15,956	168,733	2,691,008
	Sulfur oxides (SOx) emissions	kg	1,699,037	1,960,666	1,140,055	1,417,903	1,278,050	7,635	8,249	230,431	1,524,365
	Dust (TSP) emissions	kg	34,089	52,908	33,736	41,486	40,864	59	406	6,570	47,899
	Volatile organic compounds (VOCs) emissions	kg	52,436	326,297	46,481	178,040	72,057	147,411	N/A	N/A	219,468
	Hazardous air pollutants (HAPs) emissions	kg	19,467	149,200	20,731	93,486	43,022	56,019	N/A	N/A	99,041
	Hydrogen sulfide (H ₂ S) emissions	kg	0	0	167	167	0	0	0	0	0

Water Pollutants¹⁾

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Water pollutants ⁴⁾	Total organic carbon (TOC)	ton	116	153	76	96	99	25	N/A	4	128
	Biochemical oxygen demand (BOD)	ton	53	64	44	64	47	16	N/A	1	63
	Suspended solids (SS) discharge	ton	88	101	29	52	50	4	N/A	4	58
	Total nitrogen (TN) discharge	ton	111	124	76	112	75	13	N/A	3	91
	Total phosphorus (TP) discharge	ton	5	24	1	2	3	0	N/A	0	3

1) Calculations are based on data from the Daesan Plant.
2) Data for HAPs and VOCs for the years 2022 and 2023 have been revised to correct identified errors.
3) HD Hyundai and Shell Base Oil and HD Hyundai OCI are excluded from the scope of VOCs and HAPs reporting requirements.
4) N/A is indicated in cases where HD Hyundai Oilbank centrally manages wastewater discharge for its affiliates. Data has been corrected due to changes in the calculation criteria for total figures.

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Non-Financial Performance - Environment

Water and Effluents¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.

※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category				Unit	2022		2023		2024					
					HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total	
Water withdrawal	Total water withdrawal			m³	22,363,062	26,167,343	20,631,149	24,624,978	21,052,920	N/A	N/A	3,678,268	24,731,188	
	By business site	Daesan Plant	Subtotal	m³	22,362,974	26,167,255	20,631,036	24,624,865	21,052,710	N/A	N/A	3,678,268	24,730,978	
			Surface water	m³	9,993,785	11,979,269	8,312,204	10,418,215	8,440,870	N/A	N/A	1,932,682	10,373,552	
			Third-party water	m³	12,369,189	14,187,986	12,318,832	14,206,650	12,611,840	N/A	N/A	1,745,586	14,357,426	
		Central Technology R&D Institute	Subtotal	m³	88	88	113	113	210	N/A	N/A	N/A	210	
			Third-party water	m³	88	88	113	113	210	N/A	N/A	N/A	210	
		By source	Surface water		m³	9,993,785	11,979,269	8,312,204	10,418,215	8,440,870	N/A	N/A	1,932,682	10,373,552
	Third-party water		m³	12,369,277	14,188,074	12,318,945	14,206,763	12,612,050	N/A	N/A	1,745,586	14,357,636		
	Wastewater discharge	Total wastewater discharge			m³	6,820,473	9,671,871	6,641,886	10,216,628	6,473,650	3,221,198	N/A	390,891	10,085,739
By business site		Subtotal		m³	6,820,385	9,671,783	6,641,773	10,216,515	6,473,440	3,221,198	N/A	390,891	10,085,529	
		Daesan Plant	By discharge site	Discharged into seawater following in-house treatment	m³	6,820,385	9,292,474	6,641,773	9,766,282	6,473,440	3,221,198	N/A	0	9,694,638
				Discharged to third-party wastewater treatment facilities	m³	0	379,309	0	450,233	0	0	N/A	390,891	390,891
			Type	Freshwater (≤ 1,000 mg/L TDS)	m³	6,820,385	9,292,474	6,641,773	9,766,282	6,473,440	3,221,198	N/A	0	9,694,638
				Other (>1,000 mg/L TDS)	m³	0	379,309	0	450,233	0	0	N/A	390,891	390,891
		Central Technology R&D Institute	Subtotal	m³	88	88	113	113	210	N/A	N/A	N/A	210	
			By discharge site	Discharged to third-party wastewater treatment facilities	m³	88	88	113	113	210	N/A	N/A	N/A	210
				Type	Freshwater (≤ 1,000 mg/L TDS)	m³	88	88	113	113	210	N/A	N/A	N/A
Water reuse and recycling	Total amount of water reused or recycled			m³	2,675,819	2,781,014	1,809,249	1,912,499	1,101,060	N/A	N/A	101,545	1,202,605	
	Percentage of water reused or recycled ²⁾			%	11.97	10.63	8.77	7.77	5.23	N/A	N/A	2.76	4.86	

Category			Unit	2022	2023	2024	
				HDO	HDO	HDO	HOC
Water consumption	Total water consumption ³⁾		m ³	15,542,589	13,989,263	14,579,270	3,287,377
	By business site	Water consumption at the Daesan Plant	m ³	15,542,589	13,989,263	14,579,270	3,287,377
		Water consumption at the Central Technology R&D Institute	m ³	0	0	0	N/A

1) Calculations are based on data from the Daesan Plant and the Central Technology R&D Institute.

- Where HD Hyundai Oilbank manages water withdrawal and discharge for affiliates on an integrated basis, or where such data is not applicable, it is marked as N/A
- The aggregation criteria for the Central Technology R&D Institute have been revised (only water withdrawn and discharged from the laboratory is included).
- Water that is supplied from the mains and discharged directly to the sewer system without treatment is excluded from the total calculation (Daesan Plant, GRC and Central Technology R&D Institute)
- Disclosure criteria have been revised to include water withdrawal data by business site.

2) Percentage of water reused or recycled = Total water reused or recycled ÷ Total water withdrawal

3) Water consumption = Water withdrawal - Wastewater discharge

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Non-Financial Performance - Environment

Waste¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category				Unit	2022		2023		2024						
					HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total		
Total waste	Total amount of waste generated ²⁾			ton	29,610	38,957	115,173	124,482	58,462	8,102	24	649	67,237		
	Percentage of total waste recycled ³⁾			%	89.60	88.43	95.35	93.00	94.85	76.25	0	86.13	92.49		
	Type	Total amount of waste recycled	Total	ton	26,530	34,449	109,814	115,765	55,453	6,178	0	559	62,190		
		Total amount of waste treated	Total	ton	3,080	4,508	5,359	8,717	3,009	1,924	24	90	5,047		
General waste	Produced amount	Total		ton	21,678	27,456	102,967	109,056	48,836	4,885	14	584	54,319		
	Amount of waste recycled	Subtotal		ton	19,766	24,350	98,542	102,074	46,820	3,123	0	540	50,483		
		By consignment type	Internal treatment	ton	0	0	0	0	0	0	0	0	0		
			Consigned treatment	ton	19,766	24,350	98,542	102,074	46,820	3,123	0	540	50,483		
		Amount of water treated	Subtotal		ton	1,912	3,106	4,425	6,982	2,016	1,762	14	44	3,836	
	By consignment type		Internal treatment	ton	0	0	178	178	0	0	0	0	0		
			Consigned treatment	ton	1,912	3,106	4,247	6,804	2,016	1,762	14	44	3,836		
	By treatment type		Landfilled	ton	845	1,368	3,160	4,741	1,075	1,620	0	34	2,729		
			Incinerated	ton	436	1,107	686	1,586	249	78	14	10	351		
			Other	ton	631	631	579	655	692	64	0	0	756		
			Designated waste	Amount generated	Total		ton	7,932	11,501	12,206	15,426	9,626	3,217	10	65
	Amount of waste recycled			Subtotal		ton	6,764	10,099	11,272	13,691	8,633	3,055	0	19	11,707
By consignment type		Internal treatment		ton	0	0	0	0	0	0	0	0	0		
		Consigned treatment		ton	6,764	10,099	11,272	13,691	8,633	3,055	0	19	11,707		
Amount of water treated		Subtotal		ton	1,168	1,402	934	1,735	993	162	10	46	1,211		
	By consignment type	Internal treatment		ton	0	0	0	0	0	0	0	0	0		
		Consigned treatment		ton	1,168	1,402	934	1,735	993	162	10	46	1,211		
	By treatment type	Landfilled		ton	59	78	43	72	71	0	0	20	91		
		Incinerated		ton	1,086	1,301	891	1,224	915	162	10	26	1,113		
Other		ton	23	23	0	439	7	0	0	0	7				

1) Calculations are based on data from the Daesan Plant.
2) The data was recalculated in accordance with the revised calculation criteria (Amount of waste generated = Amount of waste recycled + Amount of waste treated).
3) Percentage of total waste recycled = Total amount of waste recycled ÷ Total amount of waste generated

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Non-Financial Performance - Environment

Chemicals¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Hazardous chemicals	Amount used	ton	142,138	432,542	142,799	327,233	N/A	N/A	N/A	N/A	N/A
Chemicals	Amount discharged	ton	65	462	76	222	N/A	N/A	N/A	N/A	N/A

Environmental Investment

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Environmental investment	Total	KRW million	116,632	119,745	200,390	218,671	203,444	9,009	0	871	213,323
	Subtotal of eco-friendly R&D costs ²⁾	KRW million	10,045	10,045	21,416	21,416	13,887	N/A	N/A	N/A	13,887
	Investment in new eco-friendly businesses	KRW million	53,581	53,619	126,095	128,832	157,383	587	0	109	158,079
	Investment in environmental facilities at the Daesan Plant	KRW million	53,006	56,081	52,879	68,423	32,174	8,422	0	762	41,358

Eco-friendly Patent³⁾

Category		Unit	2022	2023	2024
Eco-friendly patents	Number of eco-friendly patent applications	Cases	7	31	53
	Number of eco-friendly patent registrations	Cases	2	7	15

1) Calculations are based on data from the Daesan Plant.
• As of the publication date of this report, the data on hazardous chemical usage and chemical emissions for 2024 has not yet been finalized and will be disclosed in the following year's report.

2) Subtotal of eco-friendly R&D costs = Eco-friendly R&D expenses + Eco-friendly R&D investment costs (other than expenses, etc.)

3) The number of eco-friendly patent applications and registrations is calculated on a cumulative basis.

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Non-Financial Performance - Environment

Environmental Management System Certification¹⁾

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Environmental management system certification	Number of target business sites	Sites	1	5	1	5	1	1	1	1	4
	Number of business sites certified	Sites	1	5	1	5	1	1	1	1	4
	Certification acquisition rate	%	100	100	100	100	100	100	100	100	100

Environmental Compliance²⁾

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Significant violations of environmental laws	Number of significant environmental law violations	Cases	2	2	0	1	0	0	0	0	0
	The amount of monetary sanctions imposed for significant environmental law violations	KRW million	60	60	0	2.4	0	0	0	0	0

1) Data is based on the Daesan Plant, the main production site.
2) The information aligns with disclosures in the Annual Report [Section 3. Matters Related to Sanctions, etc.] . (Violations under the same law are counted as a single case.)

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Non-Financial Performance - Social

Employee Status

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category			Unit	2022		2023 ¹⁾		2024				
				HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Employee status	Total number of employees		Persons	2,086	2,957	2,168	3,017	2,170	672	27	115	2,984
	Total number of registered executives		Persons	7	29	6	28	6	6	6	4	22
	Total number of employees		Persons	2,079	2,928	2,162	2,989	2,164	666	21	111	2,962
	By employment type	Employees without fixed-term contracts	Persons	1,997	2,738	2,042	2,876	2,059	631	21	110	2,821
		Male	Persons	1,835	2,531	1,870	2,659	1,880	600	18	105	2,603
		Female	Persons	162	207	172	217	179	31	3	5	218
		Employees with fixed-term contracts	Persons	82	190	120	161	105	35	0	1	141
		Male	Persons	76	181	118	159	104	35	0	1	140
		Female	Persons	6	9	2	2	1	0	0	0	1
	By age ²⁾	Under 30	Persons	530	746	477	686	519	175	3	8	705
		30 to 50	Persons	1,040	1,507	1,048	1,498	1,054	340	16	81	1,491
		Over 50	Persons	509	675	637	805	591	151	2	22	766
	By nationality	Korean	Persons	2,079	2,928	2,162	2,989	2,164	666	21	111	2,962
	Total number of non-affiliated workers ³⁾			Persons	1,132	1,138	1,227	1,236	1,333	623	2	0

1) Since 2023, unregistered officers have been classified as contract workers in business reports.
2) Previous data has been revised due to changes in age classification criteria (from "50 years old and over" to "Over 50").
3) The data has been revised to align the data collection criteria with those used in business reports. (HDC has implemented changes to its Annual Report disclosure criteria effective from 2024)

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Non-Financial Performance - Social

Employee Diversity

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category			Unit	2022		2023		2024					
				HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total	
Employee diversity	Female officers ¹⁾	Total number of female officers	Persons	169	219	175	222	181	31	5	5	222	
		Registered officers	Persons	1	3	1	3	1	0	2	0	3	
		Female in Managerial Positions	Persons	9	9	10	12	10	1	0	0	11	
		Female in Managerial Positions in revenue-generating departments	Persons	3	3	3	4	4	0	0	0	4	
		Female in STEM fields	Persons	24	30	24	31	28	7	0	0	35	
	Socially marginalized groups	Persons with disabilities	No. of employees	Persons	44	44	44	52	45	9	0	0	54
			Percentage ²⁾	%	2.92	2.92	2.83	2.48	2.94	1.49	0.00	0.00	2.6
		National veterans	No. of employees	Persons	77	85	76	78	75	3	0	0	78
			Percentage	%	3.69	2.87	3.51	2.59	3.46	0.45	0.00	0.00	2.62

Labor-Management Relations

Category			Unit	2022		2023		2024				
				HDO	Total	HDO	Total	HDO	HDC	HSB ⁴⁾	HOC ⁵⁾	Total
Labor-management relations	Labor union	Membership ratio	%	100	100	100	100	100	100	N/A	N/A	100
		No. of participants	Persons	781	1,069	831	1,155	844	320	N/A	N/A	1,164
	Collective agreement coverage		%	100	100	100	100	100	100	N/A	N/A	100
	Labor-Management Council	Total number of labor-management representatives	Persons	12	28	12	28	12	8	N/A	8	28
	No. of labor disputes ³⁾		Cases	0	0	0	0	0	0	N/A	0	0

1) Managers: Employees holding positions higher than section leader level / Revenue-generating departments: Departments that directly produce and sell products or services, thereby contributing to revenue / Employees in STEM fields: Employees engaged in research or education in science, technology, engineering, or mathematics.
2) Based on the rate reported to the Ministry of Employment and Labor.
3) Excludes consultations
4) HD Hyundai and Shell Base Oil is not subject to a labor-management council, as it has fewer than 30 regular employees.
5) HD Hyundai OCI has not established a labor union.

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Non-Financial Performance - Social

Recruitment

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Recruitment	Total number of new hires	Persons	181	257	87	111	69	8	1	4	82
	Gender	Male	158	221	77	100	68	7	1	4	80
		Female	23	36	10	11	1	1	0	0	2
	By age ¹⁾	Under 30	111	154	64	81	65	7	0	1	73
		30 to 50	65	98	23	30	4	1	1	3	9
		Over 50	5	5	0	0	0	0	0	0	0
	By nationality	Regional (Korean)	181	257	87	111	69	8	1	4	82

Voluntary turnover

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Voluntary turnover	Voluntary turnover rate ²⁾	%	3.05	3.69	1.80	2.30	1.47	1.90	0.00	4.67	1.66
	Total number of voluntary turnover	Persons	59	97	36	63	30	12	0	5	47
	Gender	Male	52	83	31	56	29	11	0	5	45
		Female	7	14	5	7	1	1	0	0	2
	By age ¹⁾	Under 30	36	59	8	15	11	6	0	0	17
		30 to 50	18	33	12	23	10	5	0	1	16
		Over 50	5	5	16	25	9	1	0	4	14
	By nationality	Korean	59	97	36	63	30	12	0	5	47

1) Revision of data due to changes in calculation criteria (non-fixed term employees)
2) Previous data has been revised due to changes in age classification criteria (from "50 years old and over" to "Over 50").

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Non-Financial Performance - Social

Evaluation and Remuneration

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category			Unit	2022		2023		2024				
				HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Performance evaluation	Percentage of employees receiving regular performance evaluations ¹⁾		%	99.8	99.8	99.8	99.8	99.8	99.8	100.0	100.0	99.8
	Ratio of female to male remuneration		%	55.6	61.0	57.6	59.9	62.2	65.1	55.1	68	62.8
Employee remuneration ²⁾	Average employee remuneration	Male	KRW million/person	153	141	144	129	135	129	127	125	129
		Female	KRW million/person	85	86	83	77	84	84	70	85	81

Parental Leave³⁾

Category		Unit	2022	2023	2024			
			HDO	HDO	HDO	HDC	HSB	HOC
Parental leave	Parental leave usage rate	%	18.0	17.4	14.4	7	0	0
	Male	%	1.1	2.1	1.9	2	0	0
	Female	%	82.6	73.1	84.2	100	0	0
	Number of employees who have worked for at least 12 months after parental leave	Persons	21	30	41	6	0	0
	Male	Persons	3	9	11	4	0	0
	Female	Persons	18	21	30	2	0	0

1) The data has been revised due to changes in data collection criteria. (Evaluation target: employees without fixed-term contracts)

2) The Ratio of the highest-paid employee's total annual compensation to the average annual remuneration of all employees at HD Hyundai Oilbank: 6.48 times (Lump-sum payments, such as retirement pay, were excluded from this calculation. Compensation details of other officers are disclosed in the Annual Report.)

3) The data has been revised to align the data collection criteria with those used in Annual Report.

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Non-Financial Performance - Social

Employee Training

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

	Category	Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB	HOC	Total
Employee training	Training hours per employee	Hours/person	47	54	54	59	47	56	58	26	52
	Total training hours	Hours	97,840	159,176	116,632	177,087	111,498	37,412	1,210	2,946	153,066
	Training expense per employee	KRW million/person	0.49	0.61	0.68	0.69	0.63	0.94	0.76	0.36	0.69
	Total training investment cost	KRW million	1,012	1,795	1,470	2,049	1,356	629	16	41	2,042

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Non-Financial Performance – Social

Occupational Safety and Health

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category			Unit	2022		2023		2024				
				HDO	Total	HDO	Total	HDO	HDC	HSB ¹⁾	HOC	Total
Total working hours	Employee		Hours	4,104,000	5,750,000	4,308,000	5,936,000	4,446,000	1,380,000	49,667	224,000	6,099,667
	Supplier		Hours	8,394,000 ²⁾	9,540,000	9,292,000	10,814,000	4,066,000	1,070,000	N/A	110,000	5,246,000
Industrial accidents	Employee	Industrial accident rate	%	0.10	0.10	0.05	0.03	0.09	0	0	0	0.07
		Number of industrial accidents	Cases	2	3	1	1	2	0	0	0	2
	Supplier	Industrial accident rate	%	0.19	0.17	0.26	0.22	0.15	0.19	N/A	0	0.15
		Number of industrial accidents	Cases	8	8	12	12	3	1	N/A	0	4
Lost time injury	Employee	Lost time injury rate (LTIR) ³⁾	Cases/200,000 working hours	0.10	0.10	0.05	0.03	0.09	0	0	0	0.07
		Lost time injury (LTI)	Cases	2	3	1	1	2	0	0	0	2
	Supplier	Lost time injury rate (LTIR)	Cases/200,000 working hours	0.19	0.29	0.32	0.34	0.15	0.19	N/A	0	0.15
		Lost time injury (LTI)	Cases	8	9	15	18	3	1	N/A	0	4
Total recordable incidents	Employee	Total recordable incident rate (TRIR)	Cases/200,000 working hours	0.24	0.21	0.37	0.27	0.23	0	0	0	0.16
		Total number of recordable incidents (RI)	Cases	5	6	8	8	5	0	0	0	5
	Supplier	Total recordable incident rate (TRIR)	Cases/200,000 working hours	0.26	0.35	0.39	0.40	0.30	0.19	N/A	0	0.27
		Total number of recordable incidents (RI)	Cases	11	11	18	21	6	1	N/A	0	7
Occupational Health and Safety Certification	Number of target business sites		Sites	1	5	1	5	1	1	1	1	4
	Number of business sites certified		Sites	1	5	1	5	1	1	1	1	4
	Certification acquisition rate		%	100	100	100	100	100	100	100	100	100

1) HD Hyundai Oilbank manages suppliers of HD Hyundai and Shell Base Oil in an integrated manner; therefore, HD Hyundai and Shell Base Oil is included in the ISO certification scope.
2) Data revision due to an error in data aggregation scope (including revisions to suppliers' LTIR and TRIR figures)
3) HD Hyundai Oilbank's lost time injury severity rate (LTISR) is 0.0594 lost days per 1,000 hours worked.

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ESG data

Non-Financial Performance - Social

Occupational Safety and Health

Following the merger of HD Hyundai Aromatics into HD Hyundai Oilbank, effective December 30, 2024, the non-financial performance data for 2024 reported by HD Hyundai Oilbank includes the corresponding data from HD Hyundai Aromatics.
※ HDO: HD Hyundai Oilbank, HDC: HD Hyundai Chemical, HSB: HD Hyundai and Shell Base Oil, HOC: HD Hyundai OCI

Category		Unit	2022		2023		2024				
			HDO	Total	HDO	Total	HDO	HDC	HSB ¹⁾	HOC	Total
Occupational Illness	Employee	Occupational illness frequency rate (OIFR)	Cases/200,000 working hours	0	0	0	0	0	0	0	0
		Number of occupational illnesses (OI)	Cases	0	0	0	0	0	0	0	0
	Supplier ¹⁾	Occupational illness frequency rate (OIFR)	Cases/200,000 working hours	0	0	0	0	0	N/A	0	0
		Number of occupational illnesses (OI)	Cases	0	0	0	0	0	N/A	0	0

Suppliers

Category		Unit	2022 ²⁾	2023	2024
Suppliers ESG evaluation	Participation rate in written evaluations	%	-	72.4	100
	Number of suppliers subject to evaluation	Companies	-	228	175
	Number of suppliers evaluated	Companies	-	165	175
	Number of suppliers that underwent on-site evaluations (consulting)	Companies	-	18	30
Suppliers risk mitigation	Percentage of suppliers that signed the Supplier Code of Conduct	%	-	100	100
	Percentage of procurement staff trained in sustainable procurement	%	-	100	100

Quality management

Category		Unit	2022	2023	2024
Abnormal oil detection rate		%	1.1	0.5	0.6
Quality control	Quality-related complaint resolution rate	%	100	100	100
	Number of cases accepted	Cases	18	50	65
	Number of the cases addressed	Cases	18	50	65

1) HD Hyundai Oilbank manages suppliers of HD Hyundai and Shell Base Oil in an integrated manner.
2) Suppliers-related indicators have been collected starting in 2023.

ESG data

Non-Financial Performance - Governance¹⁾

Governance Structure

Category			Unit	2022	2023	2024
Board composition	Total number of directors		Persons	7	6	6
	Inside director		Persons	2	2	2
	Non-executive director		Persons	1	1	1
	Independent directors (non-standing)		Persons	4	3	3
	Percentage of outside directors		%	57.1	50	50
Board diversity	Gender	Number of female directors	Persons	1	1	1
		Percentage of female directors	%	14.3	16.7	16.7
	By age	Under 30	%	-	-	-
		30 to 50	%	28.6	33.3	33.3
		Over 50	%	71.4	66.7	66.7
Board operation	Attendance rate	Total	%	96	100	100
		Independent directors (non-standing)	%	100	100	100
	Number of meeting held		Times	13	8	12
ESG Committee	Number of meeting held		Times	2	3	3
	Agendas		Cases	3	5	5

Economic Value Generated and Distributed

Category		Unit	2022	2023	2024
Corporate	R&D expenses	KRW million	18,552	22,354	25,823
Shareholders and investors	Dividends	KRW million	568,346	339,684	60,045
	Interest expenses	KRW million	197,393	339,144	408,599
Local communities	Total social contribution expenses	KRW million	5,848	14,200	14,260
Supplier	Purchase amount	KRW million	20,869,055	17,363,358	18,994,814
Employees	Labor expenses	KRW million	462,508	429,553	445,223
Government	Corporate tax	KRW million	573,488	60,889	(180,369)

Ethical and Compliance Management

Category			Unit	2022	2023	2024
Ethical and compliance training	Ethics Code training	Rate	%	66.0	69.8	79.01
		Number of employees who completed training	Persons	1,950	2,106	2,356
	Compliance training	Number of employees who completed training	Persons	998	1,763	2,597
		Number of employees targeted for training	Persons	2,957	4,064	2,915
	Fair trade training	Number of employees who completed training	Persons	233	350	392
		Number of employees targeted for training	Persons	2,086	350	392
Anti-corruption policy	Number of employees who signed the Anti-Corruption Policy (Code of Ethics)		Persons	1,460	1,800	1,635
	Number of suppliers who signed the Anti-Corruption Policy (Code of Ethics)		Companies	101	350	416
Ethics Violation	Corruption incidents and responses		Cases	1	3	1
	Number of confirmed employee corruption cases resulting in disciplinary action or dismissal		Cases	1	2	1
	Number of confirmed corruption cases resulting in termination or non-renewal of contracts with suppliers		Cases	0	1	0
Anti-Corruption	Percentage of operations assessed for corruption risks		%	100	100	100

1) Data is compiled based on Annual Report; in the case of ethical and compliance management, data is integrated from HD Hyundai Oilbank and its affiliates.

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Non-Financial Performance - Governance

Compliance¹⁾

Category		Unit	2022	2023	2024
Total number of legal and regulatory violations		Cases	7	1	1
Total monetary sanctions paid for legal and regulatory violations		KRW million	159	4	15
	Amount related to cases occurring in the reporting year	KRW million	159	4	12
	Amount related to cases occurring in previous reporting years	KRW million	0	0	3
Fair trade	Number of legal and regulatory violations	Cases	0	0	0
	Number of confirmed internal whistleblowing cases	Cases	0	0	0
	Total monetary sanctions imposed for fair trade violations	KRW million	0	0	0
Violations of personal information protection laws	Number of violations	Cases	0	0	0
	Number of customers (individuals) affected by legal and regulatory violations (including data leakage, theft, etc.)	Persons	0	0	0
Information protection incidents	Number of incidents	Cases	0	0	0
	Number of customers and employees affected	Persons	0	0	0

1) Consistent with the disclosures made by HD Hyundai Oilbank under [Section 3. Sanctions and Related Matters] of the Annual Report (multiple violations under the same law are classified as a single case).

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GRI Standard Index

GRI Standard

GRI Content Index	
Statement of use	HD Hyundai Oilbank reports this information in accordance with the GRI Standards 2021, following the Conformance Reporting Principles, to disclose its sustainability management activities for the period from January 1, 2024, to December 31, 2024.
GRI 1 Used	GRI 1 : Foundation 2021
Application of the GRI Sector Standards	GRI 11 : Oil & Gas Sector 2021

GRI	Disclosure	Reporting Page
GRI 2: General Disclosures	General Report	
	2-1 Organizational details	6
	2-2 Entities included in the organization's sustainability reporting	2
	2-3 Reporting period, frequency and contact point	2
	2-4 Restatements of information	105~120
	2-5 External assurance	137
	2-6 Activities, value chain and other business relationships	6
	2-7 Employees	112
	2-8 Workers who are not employees	112
	2-9 Governance structure and composition	7, Current Annual Report p. 322~327 1. Board of Directors and related matters
	2-10 Nomination and selection of the highest governance body	7, Current Annual Report p. 322~327 1. Board of Directors and related matter
	2-11 Chair of the highest governance body	7, Current Annual Report p. 322~327 1. Board of Directors and related matters
	2-12 Role of the highest governance body in overseeing the management of impacts	7
	2-13 Delegation of responsibility for managing impacts	7
	2-14 Role of the highest governance body in sustainability reporting	7, 10
	2-15 Conflict of interest	7, Current Annual Report p. 322~327 1. Board of Directors and related matters

GRI	Disclosure	Reporting Page
GRI 2: General Disclosures	General Report	
	2-16 Communication of critical concerns	7, Current Annual Report p. 324~325 ESG Committee
	2-17 Collective knowledge of the highest governance body	7, Current Annual Report p. 327~330 Independent director training – compliance officer support status, etc.
	2-18 Evaluation of the performance of the highest governance body	Current Annual Report p. 348~352 2. Executive compensation, etc.
	2-19 Remuneration policy	Current Annual Report p. 348~352 2. Executive compensation, etc.
	2-20 Process to determine remuneration	Current Annual Report p. 348~352 2. Executive compensation, etc.
	2-21 Annual total compensation ratio	115
	2-22 Statement on sustainable development strategy	5
	2-23 Policy commitments	5, 88~103
	2-24 Embedding policy commitments	32, 41, 49, 63, 68, 80, 83
	2-25 Processes to remediate negative impacts	8, Current Annual Report p.38~39 5. Risk management and derivative transaction standards
	2-26 Mechanisms for seeking advice and raising concerns	83
	2-27 Compliance with laws and regulations	111, 120
	2-28 Membership associations	134
	2-29 Approach to stakeholder engagement	133
	2-30 Collective bargaining agreements	113

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GRI Standard Index

GRI Standard

GRI	Disclosure	Reporting Page	Sector REF#	Remark
Material Topic & Topic Standards				
GRI 3: Material Topics	3-1 Process to determine material topics	10		
	3-2 List of material topics	11		
Material issue 1	Environmental Pollutant Management			
GRI 3: Material Topics	3-3 Management of material topics	12	11.3.1 / 11.5.1 / 11.6.1 / 11.8.1	
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	36	11.6.2	
	303-2 Management of water discharge-related impacts	35	11.6.3	
	303-3 Water withdrawal	108	11.6.4	
	303-4 Water discharge	108	11.6.5	
	303-5 Water consumption	108	11.6.6	
GRI 305: Emissions	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	107	11.3.2	
GRI 306 : Effluents and Waste	306-1 Waste generation and significant waste-related impacts	38, 39	11.5.2	
	306-2 Management of significant waste-related impacts	38, 39	11.5.3	
	306-3 Waste generated	109	11.5.4 / 11.8.2	
	306-4 Waste diverted from disposal	109	11.5.5	
	306-5 Waste directed to disposal	109	11.5.6	
GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	45	11.3.3	
Material issue 2	Safety and Health Management			
GRI 3: Material Topics	3-3 Management of material topics	14	11.9.1	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	49	11.9.2	
	403-2 Hazard identification, risk assessment, and incident investigation	55	11.9.3	
	403-3 Occupational health services	53, 54	11.9.4	
	403-4 Worker participation, consultation, and communication on occupational health and safety	50	11.9.5	
	403-5 Worker training on occupational health and safety	52	11.9.6	
	403-6 Promotion of worker health	55, 61	11.9.7	

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GRI Standard

GRI	Disclosure	Reporting Page	Sector REF#	Remark
GRI 403: Occupational Health and Safety	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	55	11.9.8	
	403-8 Workers covered by an occupational health and safety management system	56, 57, 117	11.9.9	
	403-9 Work-related injuries	117	11.9.10	
	403-10 Work-related ill health	118	11.9.11	
Material issue 3	Compliance and Business Ethics			
GRI 3: Material Topics	3-3 Management of material topics	16	11.19.1 / 11.20.1	
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	119	11.20.2	
	205-2 Communication and training about anti-corruption policies and procedures	119	11.20.3	
	205-3 Confirmed incidents of corruption and actions taken	119	11.20.4	
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	120	11.19.2	
Material issue 4	Response to Climate Change			
GRI 3: Material Topics	3-3 Management of material topics	29	11.1.1 / 11.2.1	
GRI 201: Economic Performance	201-2 Financial implications and other risks and opportunities due to climate change	29, 30	11.2.2	
GRI 302: Energy	302-1 Energy consumption within the organization	106	11.1.2	
	302-2 Energy consumption outside of the organization	information incomplete	11.1.3	Related data not disclosed
	302-3 Energy intensity	106	11.1.4	
	302-4 Reduction of energy consumption	21	Not Included GRI 11	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	105	11.1.5	
	305-2 Energy indirect (Scope 2) GHG emissions	105	11.1.6	
	305-3 Other indirect (Scope 3) GHG emissions	information incomplete	11.1.7	Related data not disclosed
	305-4 GHG emissions intensity	105	11.1.8	
	305-5 Reduction of GHG emissions	21, 22	11.2.3	

GRI Standard Index

GRI Standard

GRI	Disclosure	Reporting Page	Sector REF#	Remark
Material issue 5	Production and Development of Eco-friendly Products			
GRI 3: Material Topics	3~3 Management of material topics	23~27	11.14.1	
GRI 201: Economic Performance	201~1 Direct economic value generated and distributed	Annual report p.166	11.14.2 / 11.21.2	
GRI 203: Indirect Economic Impacts	203~1 Infrastructure investments and services supported	75~78	11.14.4	
	203~2 Significant indirect economic impacts	75~78	11.14.5	
GRI 204: Procurement Practices	204~1 Proportion of spending on local suppliers	N/A	11.14.6	Not applicable as the major business sites are located in Korea
Material issue 6	Human Resource Management			
GRI 3: Material Topics	3~3 Management of material topics	58	11.10.1 / 11.11.1	
GRI 202: Market Presence	202~2 Rate of senior management hired from the local community	N/A	11.11.2 / 11.14.3	Not applicable as the major business sites are located in Korea
GRI 401: Employment	401~1 New employee hires and employee turnover	114	11.10.2	
	401~2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	61	11.10.3	
	401~3 Parental leave	115	11.10.14 / 11.11.3	
GRI 402 : Labor/Management Relations	402~1 Minimum notice period regarding operational changes	62	11.10.5	
GRI 404: Training and Education	404~1 Average hours of training per year per employee	116	11.10.6 / 11.11.4	
	404~2 Programs for employee skill development and career transition support	116	11.10.7	
	404~3 Percentage of employees receiving regular performance and career development reviews	58, 115	Not Included GRI 11	
GRI 405: Diversity and Equal Opportunity	405~1 Diversity of governance bodies and employees	113	11.11.5	
	405~2 Ratio of basic salary and remuneration of women to men	115	11.11.6	
GRI 406: Non-discrimination	406~1 Incidents of discrimination and corrective actions taken	66	11.11.7	

GRI Standard Index

GRI Standard

GRI	Disclosure	Reporting Page	Sector REF#	Remark
Material issue 7	Biodiversity Protection			
GRI 3: Material Topics	3~3 Management of material topics	41	11.4.1	
GRI 304: Biodiversity	304~1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	41~43	11.4.2	
	304~2 Significant impacts of activities, products, and services on biodiversity	41~43	11.4.3	
	304~3 Habitats protected or restored	41~43	11.4.4	
	304~4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	41~43	11.4.5	
Material issue 8	Supplier ESG Management			
GRI 3: Material Topics	3~3 Management of material topics	70	11.12.1 / 11.13.1 / 11.17.1 / 11.18.1	
GRI 308 : Supplier Environmental Assessment	308~1 New suppliers that were screened using environmental criteria	68	Not Included GRI 11	
	308~2 Negative environmental impacts in the supply chain and actions taken	68~71, 118	Not Included GRI 11	
GRI 407: Freedom of Association and Collective Bargaining	407~1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	63	11.13.2	No related impacts or issues during the reporting period regarding collective bargaining, freedom of association, child labor, or forced labor
GRI 408: Child Labor	408~1 Operations and suppliers at significant risk for incidents of child labor	63	Not Included GRI 11	
GRI 409: Forced or Compulsory Labor	409~1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	63	11.12.2	
GRI 410: Security Practices	410~1 Security personnel trained in human rights policies or procedures	information unavailable	11.18.2	Related data not disclosed
GRI 411: Rights of Indigenous Peoples	411~1 Incidents of violations involving rights of indigenous peoples	63	11.17.2	No related impacts or issues during the reporting period regarding violations of indigenous (native, tribal) peoples' rights
GRI 414: Supplier Social Assessment	414~1 New suppliers that were screened using social criteria	68	11.12.3	
	414~2 Negative social impacts in the supply chain and actions taken	68~71, 118	11.10.9	

GRI Standard Index

GRI Standard

Sector standards topics in the applicable GRI Sector Standards determined as not material

Topic	Reason for not being selected as material issues	Omission
11.7 Closure and rehabilitation	HD Hyundai Oilbank’s operating sites have no applicable cases, and therefore this topic was not selected as a material issue. All operating sites have completed environmental impact assessments.	N/A
11.15 Local communities	Although assessed as having low impact and thus not selected as a material topic, HD Hyundai Oilbank continuously engages with key stakeholders in local communities.	N/A
11.16 Land and resource rights	HD Hyundai Oilbank identifies factors that could negatively affect land and resources at its sites, but due to low impact levels, this topic was not selected as material.	N/A
11.21 Payments to governments	HD Hyundai Oilbank complies with relevant laws including tax and audit reporting requirements. As the level of related impact is low, this topic was not selected as a material issue.	N/A
11.22 Public policy	According to Article 31 of the Domestic Political Funds Act, political donations are legally prohibited, so this topic was not selected as material.	N/A

SASB Index¹⁾

Sustainability Disclosure Topics & Accounting Metrics

Extractives & Minerals Processing(Oil & Gas - Refining & Marketing)

Category	Code	Item	Unit	2022	2023	2024	Remark
Greenhouse Gas Emissions	EM-RM-110a.1	Gross global Scope 1 emissions	tCO ₂ eq	7,782,327	7,069,045	7,773,680	
		Percentage covered under emissions-limiting regulations	%	100	100	100	
	EM-RM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	Page 20-31			
Air Quality	EM-RM-120a.1	Air emissions of NO _x (excluding N ₂ O)	ton	3,770	2,344	2,691	
		Air emissions of SO _x	ton	1,961	1,418	1,524	
		Air emissions of particulate matter (PM10) ²⁾	ton	53	41	48	
		Air emissions of H ₂ S	ton	0	0.167	0	
		Air emissions of volatile organic compounds (VOCs) ³⁾	ton	326	178	219	
	EM-RM-120a.2	Number of refineries in or near areas of dense population	number	1	1	1	Daesan Plant
Water Management	EM-RM-140a.1	Total water withdrawn	ton	26,167,343	24,624,978	24,731,188	No areas classified as having “high” or “very high” water stress
		Total water consumed ³⁾	ton	16,495,472	14,408,350	14,645,449	
	EM-RM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Cases	1	0	0	
Hazardous Materials Management	EM-RM-150a.1	Amount of hazardous waste generated	ton	11,501	15,426	12,918	
		Percentage of hazardous waste recycled	%	87.81	88.75	90.63	
	EM-RM-150a.2	Number of underground storage tanks (USTs)	number	2	2	2	Applicable to company-owned gas stations within plant facilities
		Number of UST releases requiring clean up	number	0	0	0	
		Percentage in jurisdictions with UST financial assurance funds	%	N/A	N/A	N/A	Not applicable to domestic business sites
Workforce Health & Safety ³⁾	EM-RM-320a.1 ⁴⁾	Total recordable incident rate (TRIR)	Direct employees	Cases/200,000 working hours	0.21	0.27	0.16
			Contract employees	Cases/200,000 working hours	0.35	0.40	0.27
		Fatality rate	Direct employees	Cases/200,000 working hours	0	0	0
			Contract employees	Cases/200,000 working hours	0	0	0
		Near miss frequency rate (NMFR)	Direct employees	Cases/200,000 working hours	39.90	34.37	35.74
			Contract employees	Cases/200,000 working hours	N/A	N/A	N/A
	EM-RM-320a.2	Discussion of management systems used to integrate a culture of safety	-	Page 50			

1) The disclosed data is based on the consolidation criteria of HD Hyundai Oilbank and its major affiliates.
2) The disclosed data has been aggregated in accordance with the company's internal aggregation standard, TSP.
3) The data has been revised due to changes in data collection criteria.
4) 'Direct employees' and 'Contract employees' data align with our employee and supplier in the occupational safety and health part.

SASB Index

Sustainability Disclosure Topics & Accounting Metrics

Extractives & Minerals Processing(Oil & Gas - Refining & Marketing)

Category	Code	Item	Unit	2022	2023	2024	Remark
Product Specifications & Clean Fuel Blends	EM-RM-410a.2	Total addressable market and share of market for advanced biofuels and associated infrastructure	₩, %	N/A	N/A	N/A	Forecast differs by organizations
	EM-RM-410a.3	Volumes of renewable fuels for fuel blending	Net amount produced	0	0	519,621	
			Net amount purchased ²⁾	1,179,728	1,224,452	913,000	
Pricing Integrity & Transparency	EM-RM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with price fixing or price manipulation	KRW million	0	0	0	
Management of the Legal & Regulatory Environment	EM-RM-530a.1	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	-			Page 129-130	
Critical Incident Risk Management ¹⁾	EM-RM-540a.1	Process Safety Event (PSE) rates	Tier 1	0.03478	0.13477	0.09837	
			Tier 2	0	0	0	
	EM-RM-540a.2	Challenges to Safety Systems Indicator rate (Tier 3)	%	0	0.03369	0	
	EM-RM-540a.3	Discussion of measurement of Operating Discipline and Management System Performance through Tier 4 Indicators	-			Page 51-55	

1) The data has been revised due to changes in data collection criteria.
2) Figures revision due to data error in 2023

Activity Metrics

Category	Code	Item	Unit	2022	2023	2024	Remark
Refining throughput of crude oil and other feedstocks	EM-RM-000.A	Refining throughput of crude oil and other feedstocks	Barrels of oil equivalent (BOE)	201,143, 000	190,614,000	215,552,000	Calculated based on crude oil refining throughput
Refining operating capacity	EM-RM-000.B	Refining operating capacity	Thousand barrels/day (TBDP)	693	693	693	Calculated based on production capacity

TCFD Index

Category	Response Activity	Page
Governance The organization's governance structure for managing risks and opportunities related to climate change	Decision-Making Body HD Hyundai Oilbank has established an ESG Committee under the Board of Directors, which is responsible for deliberating key ESG issues, including climate change, and setting strategic directions. Furthermore, we operate a climate response unit to monitor environmental policy trends, such as those related to greenhouse gas emissions, and to develop strategic plans. A dedicated greenhouse gas and energy management unit is also in place at a business site to manage primary emission sources at production facilities.	7
	Goal Setting and Oversight We set an annual target to "reduce greenhouse gas intensity by 1%," which serves as a key performance indicator (KPI). Performance against this KPI is reviewed on a quarterly basis (progress monitoring), and the results is directly linked to the performance-based compensation of the CEO and other executives.	8
	Investment Decision-Making HD Hyundai Oilbank has developed a process to pre-assess ESG risks during investment decision-making. Investment proposals are submitted to the Investment Review Committee only after a review of relevant risks, including greenhouse gas emission costs, compliance with environmental and safety regulations, and financial or tax implications.	8
Strategy - Climate-related risks and opportunities with potential business impact - Company's strategic responses to climate risks and opportunities (climate resilience)	Uncertainty in the Petroleum Fuel Market (Type) Transition risk : Market (Time horizon) Long-term risk Research by organizations such as the International Energy Agency (IEA), International Maritime Organization (IMO), and Intergovernmental Panel on Climate Change (IPCC) points to ongoing uncertainty in the petroleum fuel market. This is driven by factors such as the rise of electric vehicles, reduced diesel vehicle production, and the introduction of stricter greenhouse gas regulations in the shipping and aviation industries. Despite these challenges, demand for petroleum fuel is expected to remain resilient, supported by continued global population growth and rising freight volumes. Although HD Hyundai Oilbank's core product is petroleum fuel, potentially vulnerable to these market changes, we leverage over 60 years of industry expertise to respond flexibly and are actively exploring new growth drivers.	29-30
	Expansion of the Renewable Energy Market (Type) Opportunity : Products and services (Time horizon) Long-term opportunity New markets such as bio-marine fuels are expanding in response to the IMO's Carbon Intensity Indicator (CII) regulations. The aviation sector is also accelerating the adoption of SAF (Sustainable Aviation Fuel) derived from used cooking oil to reduce greenhouse gas emissions. In the plastics industry, demand for secondary plastics produced from recycled waste plastics is growing rapidly. HD Hyundai Oilbank continuously monitors the development of emerging markets driven by climate change and is proactively preparing to seize these opportunities.	23-25, 29-30
	Potential Physical Damage due to Climate Change (Type) Physical risk_Acute/Chronic (Time horizon) Long-term risk Global carbon emissions have already caused a temperature increase of over 1.5°C compared to pre-industrial levels. The frequency and intensity of natural disasters, including floods, typhoons, wildfires, and heatwaves, are also rising. HD Hyundai Oilbank has quantitatively assessed physical risks using climate scenario models developed by Jupiter Intelligence, applying both high-carbon (SSP 5-8.5) and low-carbon (SSP 1-2.6) scenarios through 2050. Among the various risks evaluated, the highest likelihood of asset damage was associated with flooding under the most extreme scenario. We plan to continue monitoring and managing physical climate risks using these predictive models.	29-30

TCFD Index

Category	Response Activity	Page
Risk Management How the organization identifies, assesses, and manages climate-related risks	Development of a Methodology for Climate Change Financial Impact Analysis Climate change financial impact analysis refers to the comprehensive process of identifying transition risk factors (e.g., policy changes, market changes, increased technology costs, etc.) and physical risk factors (e.g., damage to facilities due to natural disasters, etc.), along with emerging opportunity areas (e.g., growth in new markets), and assessing their potential financial implications under a range of future climate scenarios. This analysis enables companies to adjust the strategic direction of existing businesses, seize opportunities in emerging businesses, and proactively monitor external developments, thereby facilitating optimal business positioning.	29–30
Metrics and Targets Metrics and targets used to assess and manage relevant climate-related risks and opportunities	Metrics HD Hyundai Oilbank monitors Scope 1 (direct emissions), Scope 2 (indirect emissions), and GHG intensity (per unit of sales) metrics as part of its GHG emissions management framework. Targets As a key performance indicator (KPI) related to greenhouse gas, we set an annual target of a “1% reduction in GHG emissions intensity” and strives to meet this goal each year.	105 31

Board Diversity and Expertise

Board Committees

HD Hyundai Oilbank has established and operates four board committees to strengthen the independence, expertise, and efficiency of the board of directors: the Audit Committee, Internal Transaction Monitoring Committee, Independent Director Nomination Committee, and ESG Committee. All committees are established pursuant to the company’s Articles of Incorporation and the Board Regulations, and operate in accordance with their respective rules.

(As of March 2025)

Category	Composition	Role
Audit Committee	• Hyun-Woong Kim • Hoon Hahn • Sun-Hwa Choi (Chairman)	• Responsible for the company’s accounting and auditing • Request for sales data and investigate the company’s financial status • Handle matters outlined in laws and regulations and matters delegated by the BOD • Hold the right to appoint, change, and dismiss auditors
Internal Transaction Monitoring Committee	• Hyun-Woong Kim • Hoon Hahn (Chairman) • Sun-Hwa Choi	• Review and approve large-scale internal transactions in accordance with the Fair Trade Act
Independent Director Nomination Committee	• Myung-Joon Song • Im-Ju Jung • Hyun-Woong Kim (Chairman) • Hoon Hahn • Sun-Hwa Choi	• Nominate candidates for independent directors to be appointed at the general shareholders’ meeting
ESG Committee	• Im-Ju Jung (Chairman) • Ahmed S. Almulhem • Hyun-Woong Kim • Hoon Hahn • Sun-Hwa Choi	• Determine the company’s ESG management directions and examine key ESG issues

Board Skills Matrix (BSM)

When appointing board members, HD Hyundai Oilbank balances essential expertise across critical areas for management decision-making, including energy, chemicals, legal affairs, corporate management, accounting/finance, and global networks. Each director possesses extensive experience and knowledge in their specialized fields, enabling informed and rational decision-making regarding corporate and business operations.

(As of March 2025)

Category	Myung-Joon Song Inside director	Im-Ju Jung Inside director	Ahmed S. Almulhem Non-executive director	Hoon Hahn Independent director	Sun-Hwa Choi Independent director	Hyun-Woong Kim Independent director
Leadership	●	●	●	●	●	●
CEO Experience	●	●		●		
Risk Management	●	●	●	●	●	●
Finance and Accounting	●				●	
Sales and Marketing			●			
Laws and Regulations						●
Appointment Year	2023	2025	2024	2022	2022	2022
Gender	Male	Male	Male	Male	Female	Male

SDGs Index

The UN SDGs (United Nations Sustainable Development Goals) represent an international commitment adopted by UN member states in September 2015 to achieve sustainable development. The framework comprises 17 goals, and HD Hyundai Oilbank seeks to contribute to their realization by promoting ESG management activities aligned with the specific targets of the UN SDGs.

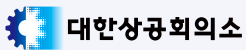
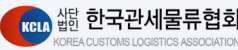
UN SDGs	HD Hyundai Oilbank Strategic Direction	Key Activities	Page
 Goal 1. End poverty in all its forms everywhere	Provide services for the poor and vulnerable through social contribution activities.	• Happiness Sharing Volunteer Program	P.76
 Goal 3. Ensure healthy lives and promote well-being for all at all ages	Expand management of chronic disease risk factors and health protection for employees through health and welfare systems.	• Welfare system (Regular health check-ups and comprehensive medical examinations for employees, medical expense support, operation of counseling center)	P.61
 Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Enable vulnerable children and other disadvantaged groups to have equal access to all levels of education and vocational training through social contribution activities.	• Local Talent Development Project	P.77
 Goal 5. Achieve gender equality and empower all women and girls	Guarantee equal opportunities for women's leadership through diversity promotion activities.	• Women Leadership Development Program - 'HD EDGE Course'	P.59
 Goal 7. Ensure access to affordable, reliable, sustainable, and modern energy for all	Increase supply of clean energy and guarantee stable and affordable access to energy services through environmental management and social contribution.	• Bio business (Biodiesel, Sustainable Aviation Fuel) • Support program for heating costs and fuel for vulnerable groups	P.24 P.77
 Goal 12. Promote sustainable consumption and production patterns	Reduce waste and promote a circular economy via circular product - related new businesses.	• Manufacturing circular products (Waste plastic pyrolysis oil)	P.25
 Goal 13. Take urgent action to combat climate change and its impacts	Reduce anticipated risks from climate change and strengthen resilience and adaptive capacity to natural disasters through environmental management.	• CCUS (Carbon Capture, Utilization, and Storage) • Climate change financial impact analysis	P.22 P.29-30
 Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Prevent biodiversity loss directly and indirectly through environmental management and social contribution.	• Biodiversity conservation activities (Increase population of flying squirrels, remove invasive plant species)	P.43

Stakeholder Communication

HD Hyundai Oilbank engages in ongoing dialogue with key stakeholders, including employees, customers and suppliers, investors and shareholders, government and central government departments, and local communities and local governments, and actively incorporates their feedback to identify and manage operational risks and opportunities. We are strengthening two-way communication through diverse channels and sharing business performance through transparent information disclosure.

	Employees	Customers	Suppliers	Investors and shareholders	Government and central governmental departments	Local communities and local governments
						
Definition	Key contributors to HD Hyundai Oilbank's business operations and achievements	Stakeholders who use HD Hyundai Oilbank's products and services, serving as the foundation of the company's economic value and growth	Critical stakeholders supplying raw materials and components essential for the company's high-quality product manufacturing	Stakeholders who provide capital to support sustainable growth and who are directly affected by management outcomes and profitability	Stakeholders that define industrial regulations applicable to HD Hyundai Oilbank's operations and monitor compliance with legal obligations	Individuals and local organizations residing in or engaging in activities near HD Hyundai Oilbank's business sites who are affected by the company's business operations
Communication channel	• Newsletter & Internal portal (EP) • Core Value Survey • Change Agent • Employee meetings • Conversation with the CEO • CEO management briefings • Collective bargaining • Labor-management council	• Customer service center • Bonus card app (Car & app) • Bonus card website • Company website • YouTube 'HD Hyundai Oilbank' • Instagram, Facebook • Webzine 'Our Stories'	• Visit to major suppliers • Information exchange meetings for mutual growth • Exchange meeting for supplier representatives • Supplier Safety and Health Council • Supplier Safety Management Workshop • Land Transport Logistics Improvement Council	• General Meeting of Shareholders • DART Disclosure • Performance presentation • Company Website	• Public hearing • Discussion meeting • Seminar • Newsletter • Related organization websites	• HD Hyundai 1% Sharing Foundation • Scholarship Foundation • Volunteer work management committee • Council within Daesan Industrial Complex • Factory tour
Topic	• Communication between management and employees • Enhancing employee quality of life • Protection of human rights • Strengthening corporate competitiveness • Collective agreements and various labor agreements	• Communication between the company and consumers • Enhancing service quality • Consumer protection and marketing • Corporate promotion • Customer satisfaction and safety • Soliciting customer concerns	• Fostering collaborative partnerships • Reinforcing fair trade and technical cooperation • Sustainable supply chain management • Operating educational programs to build supplier capabilities	• Fulfilling shareholders' right to information • Sharing investment-related information • Addressing internal and external risks • Safeguarding shareholder interests • Ensuring transparent corporate management • Enhancing shareholder value	• Changes in government policies • Compliance with legal and tax obligations • Industry trends • Trends in local government policies	• Contributing to local communities and their economic development • Supporting community advancement • Promoting communications with local communities and pursuing mutual growth • Supporting local educational initiatives

Initiatives and Associations

Korea Petroleum Association 	Korea Chamber of Commerce and Industry 	Korea Enterprises Federation 	The Federation of Korean Industries 	Korea Oil Station Association 
Korea Oil Association 	Korea Chemical Industry Association 	Korea LPG Industry Association 	Korea Lubricating Oil Industry Association 	Korea Customs Logistics Association 
Korea Industrial Technology Association 	Korean Standards Association 	Korea Industrial Safety Association 	Biz N Biodiversity Platform (BNBP) 	ISCC Association 
Korea Business Council for Sustainable Development (KBCSD) 	Korea Energy Foundation 	Energy Future Forum 	World Petroleum Council Korea 	World Energy Council Korea 

Certificates

Management System Certification

Certification Name	Issuer	Expiry date
ISO 14001	Korean Foundation for Quality	Dec. 23, 2026
ISO 45001	Korean Foundation for Quality	Dec. 23, 2026
ISO 9001	Korean Foundation for Quality	Dec. 23, 2026
ISO 37001	LRQA	Jun. 23, 2027
ISMS-P(Operation of HD Hyundai Oilbank’s Bonus Card Service)	Korea Internet & Security Agency	Dec. 5, 2026

- ISO 14001: Environmental Management System Certification
- ISO 45001: Safety and Health Management System Certification
- ISO 9001: Quality Management System Certification
- ISO 37001: Anti-Corruption Management System Certification

ISCC Certification

Certification Name	Certification Target	Issuer	Expiry date
ISCC Plus Certificate	Pyrolysis oil, refined oil from waste lubricating oil, etc.	CUC Germany GmbH	Jan. 10, 2026
	Co-processing	CUC Germany GmbH	Jan. 10, 2026
ISCC EU Certificate	Trading, co-processing, and biodiesel plants	CUC Germany GmbH	Jan. 31, 2026
ISCC CORSIA Certificate	Co-processing	CUC Germany GmbH	Apr. 11, 2026

GHG Emissions Verification Statement

GHG Emissions Verification

HD Hyundai Oilbank, HD Hyundai Chemical, HD Hyundai OCI

Verification Target

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Scope 1, 2 Greenhouse Gas Emissions (hereinafter 'GHG emissions') of HD Hyundai Oilbank¹⁾, HD Hyundai Chemical, and HD Hyundai OCI(hereinafter 'Companies') for 2024.

1) Address (based on HD Hyundai Oilbank headquarters) : 182, Pyeongsin 2-ro, Daesan-eup, Seosan-si, Chungcheongnam-do, Republic of Korea

Verification Purpose

The purpose is to ensure the reliability of the company's GHG Report in relation to the operation of the Emissions Trading Scheme.

Verification Scope

KFQ's verification covered on all facilities and emission sources under the operational control and organizational boundary of the Company during 2024.

Verification Criteria

The verification process was based on [Rule for emission reporting and certification of GHG emission trading Scheme²⁾], [Rules for verification of operating the GHG emission trading scheme³⁾] and [ISO14064-3] for every applicable part.

2) Notification No. 2025-28 of Ministry of Environment

3) Notification No. 2024-169 of Ministry of Environment

Level of Assurance

The Verification has been planned and conducted as the 'Rules for verification of operating the greenhouse gas emission trading scheme', and the level of assurance for verification shall be satisfied as reasonable level of assurance. And it was confirmed through an internal review whether the process before the verification was conducted effectively.

Verification Limitation

The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

Verification Opinions

Regarding to the data of the Greenhouse Gas Emission Consumption from the report through the verification, KFQ provides our verification opinions as below:

- 1) GHG emissions have been appropriately calculated according to the "Rule for emission reporting and certification of GHG emission trading Scheme" and "ISO 14064-1:2018" methodologies.
- 2) Each company's GHG emissions fall within its respective emission range (i.e., over 5,000,000 tCO₂-eq, between 500,000~5,000,000 tCO₂-eq, or below 500,000 tCO₂-eq), complying with the agreed materiality threshold of below 2%, 2.5%, or 5%, respectively.
- 3) Thus, KFQ concludes that GHG Emissions of Company in 2024 is correctly calculated and reported in accordance with "Rule for emission reporting and certification of GHG emission trading Scheme".

Unit : tCO₂eq

Company	Scope 1	Scope 2	Total
HD Hyundai Oilbank	5,894,402.820	961,651.355	6,856,048
HD Hyundai Chemical	1,566,153.186	1,324,710.769	2,890,862
HD Hyundai OCI	313,124.376	39,494.527	352,618

* The totals in this verification statement do not match the totals in emission trading scheme because the total emissions of each facility are calculated by truncating to integer units

* HD Hyundai Oilbank's emissions are calculated including those of HD Hyundai and Shell Base Oil, whose operations are integrated and managed.

June 10, 2025

Ji Young Song

CEO Ji-Young Song
Korean Foundation for Quality



National Institute of
Environmental Research

Independent Assurance Opinion Statement



To: The Stakeholders of HD Hyundai Oilbank Co., Ltd.

Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the “Assurer”) was requested to verify the HD Hyundai Oilbank Sustainability Report 2024 (hereinafter referred to as the “Report”). The Assurer is independent of the HD Hyundai Oilbank and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the HD Hyundai Oilbank report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the HD Hyundai Oilbank and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

HD Hyundai Oilbank 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 HD Hyundai Oilbank only.

The Assurer is responsible for providing HD Hyundai Oilbank management 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 HD Hyundai Oilbank. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than HD Hyundai Oilbank in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

Scope

The scope of engagement agreed upon with HD Hyundai Oilbank includes the following:

- Reporting contents during the period from January 1st to December 31st 2024 included in the report, some data included the first half of 2025.
- 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.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

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 levels and types 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 HD Hyundai Oilbank.

[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)

[Sector Standards] GRI 11 Oil & Gas]

11.1 GHG emissions, 11.2 Climate adaptation, resilience, and transition, 11.3 Air emissions, 11.4 Biodiversity, 11.5 Waste Topic, 11.6 Water and effluents, 11.8 Asset integrity and critical incident management, 11.9 Occupational health and safety, 11.10 Employment Practices, 11.11 Non-discrimination and equal opportunity, 11.12 Forced labor and modern slavery, 11.13 Freedom of association and collective bargaining, 11.14 Economic impacts, 11.17 Rights of indigenous peoples, 11.18 Conflict and security, 11.19 Anti-competitive behavior, 11.20 Anti-corruption

[Topic Standards]

201-1~2, 202-2, 203-1~2, 204-1, 205-1~3, 206-1, 302-1~4, 303-1~5, 304-1~4, 305-1~5, 305-7, 306-1~5, 308-1~2, 401-1~3, 402-1, 403-1~10, 404-1~3, 405-1~2, 406-1, 407-1, 408-1, 409-1, 410-1, 411-1, 414-1~2, 416-1

Independent Assurance Opinion Statement

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:

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the GRC of HD Hyundai Oilbank to confirm the data collection processes, record management practices.

Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

Competency and Independence

BSI (British Standards Institution) 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 almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with HD Hyundai Oilbank. 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 assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that HD Hyundai Oilbank's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

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). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

Inclusivity: Stakeholder Engagement and Opinion

HD Hyundai Oilbank defined employees, customers, suppliers, investors/shareholders, government/central governmental departments and local communities/local governments as a Key Stakeholder Groups. In order to collect opinions by each stakeholder groups in the context of sustainability, operated the stakeholder engagement process. HD Hyundai Oilbank conducted a review of the stakeholder engagement process at the governance in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. HD Hyundai Oilbank disclosed the results related to the process in the Report.

Materiality: Identification and reporting of material sustainability topics

HD Hyundai Oilbank implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, HD Hyundai Oilbank selected materiality issues considering industrial characteristics based on GRI Sector Standards (GRI 11 Oil & Gas), benchmarking of the same industry and analysis of major global reporting standards. HD Hyundai Oilbank derived 8 material issues in the process. HD Hyundai Oilbank disclosed GRI topic standards disclosures related to material issues in the Report.

Independent Assurance Opinion Statement

Responsiveness: Responding to material sustainability topics and related impacts

HD Hyundai Oilbank operated a management process for material issues in the context of sustainability derived from the materiality assessment. HD Hyundai Oilbank established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. HD Hyundai Oilbank disclosed the process including policy, indicator, activity and response performance on material issues in the Report.

Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

HD Hyundai Oilbank identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material issues reported. HD Hyundai Oilbank established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material issues at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

Findings and conclusions concerning the reliability and quality of specified performance information

Among the GRI Topic Standards were carried out in a assurance Type 2 based on the information and data provided by the reporting organization. In order to verify the reliability and accuracy of the data and information, internal control procedures related to data processing, processing, and management were verified through interviews with the responsible department, and accuracy was verified through sampling. Errors and intentional distortions in sustainability performance information included in the report were not found through assurance processes. The reporting organization manages the sustainability performance information through reliable internal control procedures and can track the process of deriving the source of the performance. Errors and unclear expressions found during the assurance process were corrected during the assurance process and prior to the publication of the report, and the assurer confirmed the final published report with the errors and expressions corrected.

- GRI Topic Standards: 201-1~2, 203-1~2, 205-1~3, 206-1, 302-1, 302-3~4, 303-1~5, 304-1~4, 305-1~2, 305-4~5, 305-7, 306-1~5, 308-1~2, 401-1~3, 402-1, 403-1~10, 404-1~3, 405-1~2, 406-1, 414-1~2, 416-1

Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance: Considering HD Hyundai Oilbank's key industry characteristics,

- It may be helpful to ead the sustainability management system by disclosing key sustainability objectives, processes, such as climate change response and carbon neutrality roadmaps established for key value-chain sustainability issues.

GRI-reporting

HD Hyundai Oilbank provided us with their self declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by HD Hyundai Oilbank. The sector standard GRI 11 Oil and Gas was applied.

Issue Date: 18/06/2025

For and on behalf of BSI (British Standards Institution)

BSI representative



Jungwoo Lee, Lead Assurer, LCSAP



Seonghwan Lim, Managing Director of BSI Korea



www.hd-hyundaioilbank.co.kr

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