GREEN SOLUTIONS TOWARD SUSTAINABLE FUTURE

HD Hyundai Marine Solution 2025 Sustainability Report

HD HYUNDAI MARINE SOLUTION

About this report

Report Overview

HD Hyundai Marine Solution has published an annual Sustainability Report since 2024 to transparently disclose its financial performance as well as ESG (Environmental, Social, and Governance) performance to its stakeholders.

Reporting Standards

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 to transparently disclose sustainability performance. The Sustainability Accounting Standards Board (SASB) Standards have been incorporated to reflect material issues relevant to the Company's industry characteristics, and the UN Sustainable Development Goals (UN SDGs) have also been taken into consideration.

In addition, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) have been incorporated. In preparation for mandatory sustainability disclosure requirements, this report has been aligned with the ISSB sustainability disclosure standards (IFRS S1 and S2), and material sustainability issues are disclosed in accordance with the Governance, Strategy, Risk Management, and Metrics & Targets framework. Financial information in the report has been prepared based on Korean International Financial Reporting Standards (K-IFRS).

Reporting Period

This report covers the Company's major sustainability activities and performance from January 1 to December 31, 2025. For certain significant activities, information up to the first half of 2026 has been included. Quantitative data is disclosed for four years from 2022 to 2025 to allow for trend analysis.

Reporting Scope

The primary reporting scope of this report includes HD Hyundai Marine Solution's headquarters and domestic business sites. Some data also includes information from overseas subsidiaries (Europe, Middle East, Singapore, and Americas operations) and the domestic subsidiary (HD Hyundai Marine Solution Tech). Financial information, including consolidated financial statements, has been prepared to include the financial data of HD Hyundai Marine Solution's headquarters and its five subsidiaries. Based on the consolidated revenue disclosed in the 2025 Annual Report, the reporting boundary covers 100% of the Company's operations.

Report Assurance

To ensure the consistency, completeness, data quality, and reliability of the report's content, third-party verification was commissioned from the Korean Standards Association (KSA), an independent verification body. KSA verification was also commissioned for greenhouse gas (GHG) emissions and energy consumption data to ensure accuracy and reliability. Details of the verification results are included in the "Third-Party Verification Statement and GHG Emissions Verification Statement" in the Appendix.

Report Accessibility

HD Hyundai Marine Solution regularly discloses corporate information through its website to ensure transparency for stakeholders. Additional information related to this report is available through the Company's website, annual business reports, audit reports, and the Financial Supervisory Service's disclosure system (DART).

For inquiries

For inquiries or comments regarding this report, please contact the ESG Team at HD Hyundai Marine Solution.

HD Hyundai Marine Solution Official website
https://www.hd-marinesolution.com/kr/main

HD Hyundai Marine Solution ESG Team
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Interactive PDF User Guide

This report is published in an interactive PDF format, which enables viewers to navigate to related pages within the report and access relevant web links.

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OVERVIEW

CEO Message

Dear Valued Stakeholders,
I would like to express my sincere gratitude to everyone who has supported HD Hyundai Marine Solution on its sustainability journey.

Drawing on our integrated service capabilities that span the entire vessel lifecycle, HD Hyundai Marine Solution is committed to delivering both economic and environmental value to our customers while contributing to the sustainable transformation of the global maritime industry. We believe this responsibility is central to the role we must play in an industry undergoing rapid and profound change.

Over the past year, HD Hyundai Marine Solution further strengthened its business competitiveness and delivered year-on-year growth in both revenue and operating profit.

We also reinforced our environmentally sustainable business portfolio by securing our first order for an FSRU conversion project and significantly expanding our EPLO business. In the digital domain, we achieved meaningful progress by broadening the deployment of OceanWise, our optimized voyage routing solution. Through these efforts, we have strengthened our integrated solution capabilities in fuel-efficiency improvement, carbon emissions reduction, and operational optimization.

At the same time, we have further strengthened the foundation of our sustainability management by establishing a governance framework centered on the ESG Committee and by achieving a B rating in our first-ever participation in the CDP Climate Change assessment.

In the area of supply chain management, we established a Supplier Code of Conduct and strengthened ESG risk assessments for suppliers, thereby laying a stronger institutional foundation for building a sustainable supply chain.

Building on these achievements, HD Hyundai Marine Solution will continue to expand its competitiveness in sustainable and digital businesses, further embed ESG into its management practices, and advance toward becoming a leading company in the global maritime industry. To this end, we will focus on the following strategic priorities.

First, we will connect ESG to competitiveness in sustainable and digital businesses by leveraging our integrated service capabilities.

Our ability to provide integrated services encompassing engines, parts, maintenance, and digital technologies represents one of the Company's core competitive strengths. We will continue to build on this foundation by delivering practical support for our customers' decarbonization efforts and operational efficiency improvements, particularly through green retrofits and digital solutions. We will also continue to invest in technologies that support next-generation fuel transition, energy efficiency enhancement, and data-driven voyage optimization, thereby securing a resilient platform for future growth.

Second, we will further embed ESG into our management practices and strengthen its connection to business competitiveness.

We view ESG not merely as a matter of regulatory compliance, but as a fundamental driver of sustainable corporate value. Centered on the Board-level ESG Committee, we will integrate key priorities—including climate action, compliance with environmental regulations, and ethical and compliant management—into our management strategy and business operations. In addition, we will reinforce our carbon emissions management framework and establish systems to proactively respond to evolving global ESG disclosure requirements, thereby enhancing our long-term competitiveness in a changing business environment.

Third, we will continue to advance our supply chain management system and contribute to the development of a sustainable industrial ecosystem.

As our business operates on the foundation of a global service network and a broad range of suppliers, supply chain sustainability is directly linked to our competitiveness. Through the implementation of our Supplier Code of Conduct, the expansion of ESG risk assessments across the supply chain, and the establishment of a KRW 30 billion shared-growth fund in partnership with IBK Industrial Bank of Korea, we will further enhance the sustainability and resilience of our supply chain.

On this basis, we will systematically respond to the expansion of global environmental and human rights regulations while fostering shared growth with our partners to help build a more sustainable industrial ecosystem.

Dear stakeholders,

The execution of these strategies will not be without challenges. Nevertheless, we are confident in our organization's capabilities and ability to execute. HD Hyundai Marine Solution is guided by the spirit of "One Team," uniting all members behind a shared purpose, and we are confident that this spirit will enable us to fulfill our role as a leader in the sustainable transformation of the global maritime industry amid ongoing change and challenge.

Going forward, we will continue to create greater value together with all our stakeholders—including customers, shareholders, suppliers, and local communities—on the foundation of trust. We sincerely ask for your continued interest and support.

Thank you.

Sung-joon Kim
President & CEO of HD Hyundai Marine Solution

Company Profile

General Overview

HD Hyundai Marine Solution was established on November 28, 2016 to provide services for marine and onshore power generation facilities, following the transfer of the service operations previously carried out by the Shipbuilding, Engine, and Electro Electric Systems Division of HD Hyundai Heavy Industries, which was originally founded in 1972. As of 2025, the Company provides 24/7 services to customers worldwide through six international branches/offices and four overseas subsidiaries. The Company's business portfolio includes parts supply and technical services for vessels and onshore power generation facilities, green retrofit solutions, digital control systems, bunkering services, and warranty support for vessels delivered by HD Hyundai group affiliates.

Leveraging these capabilities, HD Hyundai Marine Solution has continuously expanded its business and evolved into the industry's only integrated service provider. In step with HD Hyundai's strides toward becoming the "World's Best Shipbuilding & Marine" leader, HD Hyundai Marine Solution will continue its journey toward becoming a top-tier, engineering-based solution provider.

Overview of HD Hyundai Marine Solution[1]

Company Name	HD Hyundai Marine Solution
CEO[2]	Sung-joon Kim
Business Area	• Vessel and onshore power generation services • Digital control systems • Green vessel retrofit
Subsidiaries	5
Business Locations	Headquarters: 477, Bundangsuseo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do Busan Facility (CSP): 79, Centum jungang-ro, Haeundae-gu, Busan Ulsan Facility (GDC): 50, Sinduwang-ro, Nam-gu, Ulsan
Date of Establishment	November, 2016
No. of Employees	589
Shareholding Structure	HD Hyundai Co., Ltd. (55.32%), Global Vessel Solutions, L.P. (9.99%), and others

1) As of the FY25 Annual Report
2) Appointed on March 24, 2026

Corporate Slogan and Management Policy

Each year, HD Hyundai Marine Solution establishes a management slogan and sets key priorities for each business area to guide its strategic implementation.

Slogan

Becoming a Global MRO Leader through Unparalleled Excellence

Management Policies

AM (Paid services)	Drive sustainable growth in the AM business and maximize company profits
AM (Free of charge services)	Prompt Warranty Service, Trusted HMS!
Green/ Digital Solution	Strengthen retrofit competitiveness through cost innovation and drive digital transformation toward global leadership
New Business/ Investment	Maximize shareholder value by identifying sustainable new businesses
Organizational Culture	Create change together, a corporate culture of collaboration and communication

Key Business Areas

AM (Aftermarket) Solutions	Green Retrofit
Ship parts and services, onshore power plant services, and paid and free warranty support	Installation of Energy Saving Devices (ESD[1]) and Floating Storage and Regasification Units (FSRU[2])

Digital Solutions	Bunkering
Integrated ship control systems, smartship solutions, and electrification systems	Fuel supply (Supply of fuel for vessel departure)

1) ESD: Energy Saving Device
2) FSRU: Floating Storage and Regasification Unit

Key Financial Indicators[3]

(Unit: KRW 100 million)

Category	2022	2023	2024	2025
Revenue	13,338	14,305	17,455	19,827
Operating Income	1,420	2,015	2,717	3,501
Net Income	1,049	1,511	2,279	2,696
Total Assets	5,198	6,566	11,522	12,723
Total Equity	1,822	2,400	7,735	8,247

Revenue by Business Division[3]

(Unit: KRW 100 million)

Category	2022	2023	2024	2025
AM Solutions	4,670	6,072	8,059	9,351
Bunkering	6,272	5,955	7,055	7,834
Green Retrofit	1,942	1,685	1,634	1,723
Digital Solutions	454	623	707	919

3) As of December 31, 2025, based on the consolidated financial statements

Company Profile

History of HD Hyundai Marine Solution

2016 - 2017

2017

- **February** Entered the green vessel retrofit business
- **April** Established European Subsidiary in Rotterdam, the Netherlands
- **October** Established U.S Subsidiary in Houston, USA
- **November** Obtained Quality Management System (ISO 9001) certification
- **December** Established Singapore Subsidiary

2018 - 2019

2019

- **January** Won '100 Million USD Export Achievement Award' at Busan Trade Day
- **January** Launched the industry's first Smartship Digital Control Center
- **December** Joint R&D for 'Green Digital Ship Technology' (HD Korea Shipbuilding & Offshore Engineering, SK Shipping)
- **December** Received Busan City Employment Award

2020 - 2021

2020

- **January** Received the Minister of Employment and Labor commendation for outstanding labor-management relations
- **February** Obtained Information Security Management (ISO 27001) certification
- **July** Selected as '2020 Korea's Best Job Creation Company'
- **July** Contract signed for 'World's first smart-ship satellite package service' (KSS Marine)
- **November** Commenced LNG bunkering for LNG-fueled container vessel
- **December** Received Busan '400 Million USD Export Tower'

2021

- **February** Received Minister of Trade, Industry and Energy commendation for export contribution
- **May** Initiated joint development project for decarbonization and digitalization (ABS)
- **June** Obtained AIP for 'LPG Dual-Fuel Propulsion Retrofit Design' (KR)
- **August** Signed 'FSRU Conversion Retrofit FEED Contract' with NYK
- **December** Ordered LNG-fueled crude oil carrier shaft generator

2022 - 2023

2022

- **March** Obtained Hi-GSP AIP (KR) for GHG environmental regulation response
- **March** Held Geumjeong-gu forest fire damage recovery donation and tree-planting ceremony
- **May** Launched OASEAS, a digital marketplace for ship repair and marine services
- **August** Established Middle East subsidiary
- **November** Donated to support underprivileged neighbors in Haeundae-gu (jointly with suppliers)
- **December** Received '500 Million USD Export Tower' Award (Ministry of Trade, Industry and Energy)

2023

- **January** Established in-house corporate culture dedicated organization
- **March** Obtained ISO 45001 (Safety & Health Management System) certification (DNV)
- **May** Signed contract for reliquefaction system retrofit on 5 LNG vessels
- **November** Renamed to HD Hyundai Marine Solution
- **December** Obtained AIP for methanol dual-fuel propulsion retrofit design

2024 - 2025

2024

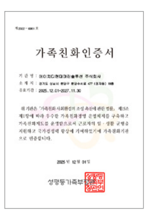
- **February** Signed OceanWise supply contract (POSCO)
- **May** Completed KOSPI listing (IPO)
- **August** Received first LNG-FSU conversion order
- **October** Signed LCA calculation MOU
- **November** Completed first domestic LNG vessel reliquefaction facility retrofit
- **December** Selected as Korea Work-Life Balance Excellence Company (Ministry of Labor)

2025

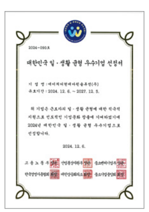
- **January** Signed OceanWise supply agreements with SK Shipping and Hyundai Glovis
- **June** Secured cumulative EPLO contracts for 74 vessels
- **August** Launched OceanWise integrated solution OSR-OW

External Certifications

Family-Friendly company


가족친화인증서

Best Workplace for Work-Life Balance



Best HRD (Human Resource Development) Company

Leisure-Friendly Workplace

Reading Management Excellent Workplace

Business Portfolio

Business Areas & Value Chain

All-in-One services in the aftermarket business
(parts, services, engineering, retrofit, bunkering, etc.)

AM Solutions – parts and technical services	• Ship parts and technical services • Parts and technical services, O&M services for engine power plant • Warranty support for HD Hyundai Group newbuild vessels and engines
Retrofit Business	• Providing green vessel retrofit solutions to help customers comply with IMO's Mid-Term Measures (MTM) for decarbonization regulations • Reducing GHG emissions and improving vessel energy efficiency
Software Defined Vessel Technology	• Next-generation vessel operation technology • Big-data-driven marine platform
Bunkering	• Initial bunkering for HD Hyundai Group newbuild vessels • Bunkering services at domestic and international ports

Newly built vessels → Average lifespan of about 25 years → Decommissioned vessels

Aftermarket and Bunkering	Smart care (1-2years)		
	Initial Parts	Supply of ship parts and technical services	
	LTSA[1] (1–5 years)	LTSA (~15 years)	LTSA (~20 years)
	Departure bunkering	Operating vessel bunkering	
Sustainable Solutions	EPLO[2], AMP[3], ESD[4] retrofit (3–9 months)		
	Dual-Fuel Conversion Retrofit (2 years)		
	Reliquefaction (2 years)		
			FSRU[5]·FSU[6] conversion (2 years)
Digital Solutions	IAS[7], ISS[8], ISCS[9]	Operational control monitoring	
	Shaft Generator		
	ACONIS, HiCONiS[10]		
		OceanWise & Optimized Operations Solutions	

1) LTSA: Long Term Service Agreement
2) EPLO: Engine Part Load Optimization
3) AMP: Alternative Maritime Power
4) ESD: Energy Saving Device
5) FSRU: Floating Storage and Regasification Unit
6) FSU: Floating Storage Unit
7) IAS: Integrated Automation System
8) ISS: Integrated Smartship Solution
9) ISCS: Integrated Smart Communication System
10) HiCONiS: Hyundai intelligent Control & integrated System

Business Portfolio

AM solutions

Marine Parts

HD Hyundai Marine Solution supplies genuine parts at competitive prices through its global logistics network, ensuring stable vessel operations. As the sole licensor of HiMSEN engines, the Company exclusively supplies genuine parts, while genuine parts for large engines also offer high quality and competitive pricing.

The Company comprehensively analyzes newbuilding trends and shipowners' fleet operation data to proactively forecast customer demand, establishing an optimal delivery response system through strategic inventory management. The Company provides fast and reliable parts supply services to customers worldwide through collaboration with major logistics hubs in Busan, Rotterdam, Houston, Singapore, and Dubai, as well as local service partners.

Engine Parts
As the sole original spare parts supplier for HiMSEN engines and licensee of WinGD and Everllence engines, original spare parts of equivalent quality provided at more competitive prices

Electrical Equipment
Comprehensive one-stop aftersales support solutions for HD Hyundai Electric equipment

Marine Equipment
Genuine parts supply and technical services provided for shipbuilding machinery installed on HD Hyundai Group newbuild vessels

BWTS/Side Thruster
Customized spare parts recommendations tailored to each vessel's equipment specifications

Technical Services

HD Hyundai Marine Solution provides technical services worldwide for all vessels and equipment supplied by HD Hyundai, supporting customers' stable operations. As smart solution adoption expands across the shipbuilding industry and digitalization accelerates, the need for more professional and systematic technical service capabilities continues to grow. In response, the Company established HD Hyundai Marine Solution Tech, a subsidiary dedicated to providing technical services, in April 2022 to build an advanced technical service delivery framework.

Based on the specialized workforce of HD Hyundai Marine Solution Tech, the Company will continue to accurately diagnose vessel issues and deliver the best technical services to customers through competitive pricing and optimal solutions.

Maintenance and Repair
- Accurate diagnosis to identify root causes and provide tailored solutions
- Leveraging the technological expertise of HD Hyundai Group, a global leader in the shipbuilding and engine sectors, HMST's specialized engineers identify and resolve issues promptly

Workshop Services
- Operate workshops at key global maritime hubs, including China, Singapore, Dubai, and Southern Europe
- Provide a wide range of services to meet customer needs including re-conditioning, equipment exchange programs

LTSA (Long-Term Service Agreement)

HD Hyundai Marine Solution's LTSA (Long-Term Service Agreement) is a strategic service model designed to address customers' long-term operational and maintenance needs for vessel parts and services. Through pre-contracted volumes, it improves customers' budget predictability and maximizes operational and maintenance efficiency. The Company also exclusively handles aftermarket sales and execution for vessels, engines, and green equipment delivered by Group shipyards, providing one-stop services encompassing vessel equipment supply and technical services to domestic and international shipping companies and government agencies. As demand for parts and services for next-generation sustainable engines grows in response to tightening international environmental regulations, the Company is strengthening both direct and indirect response capabilities to customer needs and enhancing market competitiveness through close collaboration between the AM and green business divisions.

STEP 01 Engine Running Hours Monitoring	Engine running hour monitoring • Periodic updates • Real-time monitoring system
STEP 02 Parts & Service Maintenance Planning	Parts • Parts preparation • Parts supply • Customer handover Services • Technical personnel deployment • Schedule execution • Service report provision
STEP 03 Parts & Service Provision	Maintenance items and timing defined in advance based on operational data to supply green equipment, materials and services
STEP 04 Service Report Provision	Contract renewal • 1–5 year contracts • Service report provision and improvement

Maintenance planning and subsequent year contract renewal

Business Portfolio

Bunkering

Through its strategic partnership with HD Hyundai Oilbank, one of Korea's leading refiners, HD Hyundai Marine Solution stably supplies high-quality fuel to global vessels centered on major domestic ports. The Company provides highly reliable bunkering services based on internationally certified fuels meeting ISO 8217:2010 and MARPOL Annex VI standards, supported by extensive operational experience and safe barge operation capabilities. Furthermore, leveraging competitiveness established in the domestic bunkering market, the Company is also expanding its business to Singapore, advancing its position as a global bunker trading company.

Fuel Types | In line with IMO 2020 environmental regulations and shipping companies' needs, the Company handles various products including Very Low Sulfur Fuel Oil (VLSFO).

VLSFO	HSFO	LSMGO
Low-sulfur marine fuel with sulfur content below 0.5%	High sulfur fuel oil with sulfur content below 3.5%	Low-sulfur marine gas oil with sulfur content below 0.1%
B30 Bio Marine Fuel	**B100 Bio Marine Fuel**	**Low-Carbon Marine Fuels including Methanol**
Low-carbon bio marine fuel	Low-carbon bio marine fuel	Low-carbon next-generation marine fuel

Sustainable Alternative Fuels

HD Hyundai Marine Solution recognizes the growing importance of alternative fuels in the shipping industry and is pursuing a diversified energy mix to reduce dependence on fossil fuels. The Company supplies sustainable marine fuels certified under ISCC EU and is expanding its business portfolio into alternative marine energy sources—including biofuels, methanol, ammonia, and hydrogen—through collaboration with HD Hyundai affiliates and global shipping companies.

In 2023, the Company successfully conducted a pilot biofuel bunkering operation and received Approval in Principle (AiP) for a methanol dual-fuel propulsion retrofit design, thereby progressively laying the groundwork for the commercialization of next-generation sustainable fuel bunkering. The Company also ensures a stable supply of marine urea, which is essential for the operation of SCR systems.

SmartCare

HD SmartCare is the official service brand covering all products supplied by HD Hyundai Group, providing 24/7 support services worldwide. The service covers warranty services for vessels built by the HD Hyundai Group, as well as engines, machinery, power and automation control equipment, sustainable facilities, ensuring a high level of reliability and quality across all products.

Built on over 50 years of accumulated technical expertise and warranty service experience, the Company responds promptly and accurately to product and claim inquiries, while flexibly addressing diverse customer needs arising from the expansion of new products such as green vessels and gas engines. HD SmartCare's top priority is to proactively prevent risk factors and safety issues inherent in products, and to continuously support the safe and optimized operation of vessels.

Lifetime Service

HD SmartCare aims to provide integrated customer support throughout the entire lifecycle of a vessel and operates 'Lifetime Service' to effectively respond to diverse customer needs even after the warranty period. HD Hyundai Marine Solution provides solutions through this service to maintain the safe and optimized operation of vessels in the most efficient and convenient manner. HD SmartCare's Lifetime Service operates 24 hours a day, 365 days a year through headquarters, global branches, and online channels to ensure customers can receive prompt support anytime, anywhere.

Onshore Power Plant

HD Hyundai Marine Solution is a solution provider specializing in engine-based power plants, offering total solutions encompassing warranty, operation and maintenance (O&M), original spare parts supply, engineering, fuel conversion, and training. The Company has a track record of servicing approximately 2,013 engines (totaling 4,800MW) across 59 countries worldwide.

Integrated O&M Services

- Daily, weekly, and monthly operation reports provided
- Equipment condition optimized through scheduled or unscheduled maintenance execution
- All risks and key decisions managed in a timely manner to support stable operation

Scope of Services

HD Hyundai Marine Solution's service scope is flexibly adjustable to customer requirements, providing Long-Term Parts Agreement (LTPA) and Long-Term Service Agreement (LTSA). Both agreements include stable supply of OEM spare parts and technical support through global service hubs. LTSA is particularly suitable for engines with cumulative operating hours between 24,000 and 48,000 hours, and a contract period of 3 to 6 years is recommended to ensure optimal operational efficiency and stability.

Scope of Work

Technical Support	Parts Supply	Warranty Service	On-site Training	Maintenance


Colombia
20H35 / 400DFV x 10 Sets


Ecuador
9H21 / 32 x 2 Sets


Angola
20H35 / 400DFV x 10 Sets

Business Portfolio

Green Ship Retrofit

As decarbonization of marine fuels accelerates in line with the International Maritime Organization's (IMO) GHG emissions reduction targets, the transition to green vessels is rapidly progressing across the global shipping industry. In response, HD Hyundai Marine Solution continues to expand its green vessel retrofit business, while helping customers reduce marine pollution, improve energy efficiency, and lower operating costs.

Building on the experience and track record it has accumulated through retrofit projects for Exhaust Gas Cleaning Systems (EGCS) and Ballast Water Treatment Systems (BWTS), HD Hyundai Marine Solution is accelerating its dual-fuel vessel conversion business for vessels capable of operating on both conventional fuels and cleaner alternatives such as LNG and methanol.

In addition, in response to growing global demand for LNG, the Company is expanding its business scope into FSRU conversion projects, which involve the offshore storage, regasification, and send-out of LNG, as well as retrofit projects for reliquefaction systems designed to reduce boil-off gas (BOG) from LNG carriers. These efforts form part of the Company's proactive response to mid- to long-term regulations, including the IMO 2050 Net Zero Strategy and the GHG pricing measures agreed at MEPC 83. Through these initiatives, the Company continues to develop sustainable solutions that provide practical support for shipping companies in their decarbonization journey.

Ocean Solution

HD Hyundai Marine Solution goes beyond traditional marine service boundaries, providing customers with comprehensive services across the entire vessel lifecycle from delivery to decommissioning. In particular, to address tightening environmental regulations by the International Maritime Organization (IMO), the Company performs retrofit works for green equipment installation including scrubbers and BWTS (Ballast Water Treatment System), and delivers prompt and accurate services based on precise analysis and consulting by full-time engineers and systematic on-site management.

EGCS (Exhaust Gas Cleaning System)

As a major SOx scrubber supplier and in close collaboration with subcontractors, HD Hyundai Marine Solution provides end-to-end turnkey solutions encompassing engineering, material procurement, installation, and commissioning, backed by extensive installation experience.

BWTS (Ballast Water Treatment System) Retrofit

HD Hyundai Marine Solution provides ballast water treatment system retrofit services for vessels in operation, in compliance with the IMO Ballast Water Management Convention (BWMC) and U.S. Coast Guard (USCG) regulations.

GHG Solution

HD Hyundai Marine Solution offers a diverse range of solutions for greenhouse gas reduction. The Company provides customer-tailored optimal solutions through energy savings achieved by promoting the use of sustainable fuels and improving the energy efficiency of machinery and equipment.

Wind Assisted Propulsion System

The Wind Assisted Propulsion System utilizes the Magnus Effect to harness wind energy to generate auxiliary propulsion, using it as auxiliary power to reduce engine load and effectively cut fuel consumption and GHG emissions.

Harnessing offshore wind as an green device, this system is recognized by IMO MEPC Circ. 815 as an Innovative Energy Efficiency Technology, enabling improved EEXI performance. It can also contribute to improving the CII (Carbon Intensity Indicator) as fuel efficiency improves.

Alternative Maritime Power

As port environmental regulations tighten globally, restrictions on auxiliary diesel engine operation are being strengthened to reduce vessel emissions. The Alternative Maritime Power (AMP) system is a solution that effectively reduces port air pollution by shutting down onboard engines and utilizing shore power while in port. As a turnkey solution provider for AMP, HD Hyundai Marine Solution provides customized AMP retrofit services tailored to various vessel types.

LNG Solution

HD Hyundai Marine Solution supplies LNG-related solutions for vessels to address IMO GHG regulations. Built on accumulated technical expertise and service track record, the Company performs various retrofit works in an optimized manner, including LNG dual-fuel engine conversions for vessels in operation and FSRU conversions for LNG carriers.

FSU (Floating Storage Unit) / FSRU (Floating Storage and Regasification Unit) Conversion

HD Hyundai Marine Solution has built an extensive FSU/FSRU engineering track record by leveraging close networks with major equipment suppliers and subcontractors required for FSU/FSRU. Through this, the Company provides customer-tailored FSU/FSRU conversion services with consistently high satisfaction levels.

LNG Regasification System

HD Hyundai has developed its own regasification system that converts LNG from liquid to gaseous state. This system reduces power consumption through an optimized booster pump configuration, and ensures high levels of safety and reliability using non-combustible heat medium.

LNGC Reliquefaction System Retrofit

Reliquefaction technology is a solution that efficiently manages and reduces emissions by reliquefying BOG (Boil-Off Gas) generated from DFDE-type LNG carriers. By re-liquefying vaporized LNG for reuse as fuel, cargo loss and cargo tax burden are minimized. Additionally, the investment effect appears quickly under high BOR (Boil-Off Rate) operating conditions, enabling a short investment payback period, while also providing effective response to GHG regulations.

Business Portfolio

Software Defined Vessel (SDV) Platform

Digital Solution

Digital Solution is a cost-effective and secure data-based service that monitors all vessels equipped with ISS, Hi-EMS, Hi-GSP and other systems in real time, supporting vessel and equipment operation and management. HD Hyundai Marine Solution's digital control center continuously monitors over 430 vessels, and analyzes vessel data on a quarterly basis in collaboration with more than 150 specialist engineers, providing customers with reports.

ISS (Integrated Smartship Solution)

- Vessel operation and equipment operation and management system developed by HD Hyundai
- Collects major onboard equipment data in real time, providing major equipment analysis services including engine diagnostics and voyage optimization services

DI Report

- Comprehensively analyzes vessel voyage information and equipment data, providing performance analysis services tailored to each vessel's characteristics
- Analysis reports include warranty services, latest service news, and diverse technical data, contributing to customers' operational efficiency and decision-making

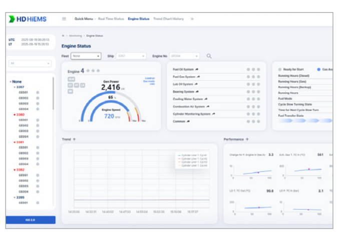
Hi-4S (Hyundai intelligent Smart Solution Service System)

- Smart care service system operating 24/7, 365 days
- Top-tier experts continuously monitor and analyze data collected from selected and individual vessels, providing key information for optimal operation

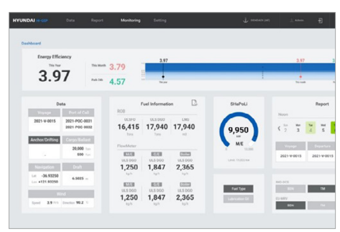
Hi-EMS

- HD Hyundai's Hi-EMS is an intelligent engine analysis solution that monitors engine status and alarms in real time, providing analysis reports and diagnostic guides

DI Report



Hi-EMS



Hi-GSP

Marine Automation

HD Hyundai Marine Solution provides high-quality integrated control solutions that achieve advanced equipment performance and customer satisfaction, built on extensive experience and continuous R&D investment. The Company's integrated system collects, analyzes, and controls alarm information from diverse onboard equipment in real time to maximize operational efficiency, and creates a hyper-connected environment that enables remote vessel control anytime, anywhere through linkage with the onshore control center.

HiCONiS (Hyundai intelligent Control & integrated System)

- HiCONiS is a next-generation Integrated Automation System (IAS) incorporating HD Hyundai's 30 years of marine automation technology, compatible with smart solutions, sustainable systems, and unmanned vessel implementation
- HiCONiS supports a unified platform from single DF (Dual Fuel) systems to large-scale IAS, enabling complete control of diverse equipment
- Scalability and compatibility flexibly applicable to all vessel types including LNG carriers

Hi-Secure

- Hi-Secure is a platform for IACS UR E26 international regulation compliance and vessel cybersecurity management, providing security vulnerability assessment and real-time threat monitoring throughout the entire vessel lifecycle from design to operation
- Enables shipowners and shipbuilders to fully comply with international maritime regulations while maximizing asset security

Shaft Generator

- Optimal shaft generator system solution for EEDI, EEXI and other environmental regulation compliance as well as OPEX reduction
- Customized solutions provided in accordance with vessel operational concepts and installation environments

ACONIS-DS

- ACONIS-DS is a vessel Integrated Control & Monitoring System (ICMS) specialized in machinery and cargo system monitoring and control
- High-reliability control solution incorporating over 30 years of accumulated design know-how
- Applicable across all vessel types including container vessels, tankers, and LNG carriers, ensuring user convenience based on proven stability and diverse functionality

Business Highlights

Business Performance

AI-Powered Voyage Optimization Solution 'OceanWise'

HD Hyundai Marine Solution has signed an agreement to supply OceanWise to select vessels in operation in collaboration with SK Shipping and Hyundai Glovis, expanding its digital-based voyage optimization business. OceanWise utilizes big data and AI algorithms to analyze vessel position and voyage conditions, recommending optimal routes that simultaneously reduce fuel consumption and GHG emissions, supporting decarbonization and the transition to greener vessel operations. The Company plans to expand its application scope regardless of vessel type and size, while enhancing business growth potential and profitability through the introduction of a subscription-based service model, supporting the maritime industry's transition to low-carbon operations.

MOU Signed to Advance Vessel Voyage Optimization

HD Hyundai Marine Solution has signed an MOU with global weather information company Weathernews for 'Enhancing Competitiveness in Vessel Voyage Solutions.' Weathernews, established in 1986, is a private weather information company providing various weather services across maritime, aviation, and land sectors. Specifically in the maritime weather service sector, the Company specializes in operating Weather Routing Service that provides safe route guidance to vessels, delivering 24/7 risk communication services across more than 50 countries worldwide. Through this MOU, Weathernews will provide accurate meteorological data to HD Hyundai Marine Solution, which will explore opportunities to leverage the data in maritime market and vessel technology sectors. Weathernews plans to apply the data to its AI-based optimal route solution OceanWise to enhance functionality and performance, thereby improving navigational safety and operational efficiency, and strengthening competitiveness in the green vessel market.

Improving Vessel Operational Efficiency through Digital Engine Performance Optimization

HD Hyundai Marine Solution has signed a strategic partnership agreement with Accelleron, a global leader in engine and turbocharger solutions, to advance digital services aimed at optimizing vessel operational efficiency. This collaboration aims to comprehensively analyze engine and turbocharger performance based on vessel voyage data, with the goal of continuously improving operational efficiency. The focus is on connecting the Company's vessel management system ISS 2.0 (Integrated Smartship Solution), AI-based emissions monitoring solution OceanWise, Accelleron's LOREKA360° Tekomar XPERT Engine, and Turbo Insights.

ISS 2.0 is the latest vessel management system that collects and analyzes real-time data from major onboard equipment to provide voyage optimization services, while OceanWise is an AI-based vessel performance model that analyzes emissions data utilizing voyage data without installing separate hardware onboard to provide optimal route services. By connecting HMS's solutions with Accelleron's engine performance evaluation and analysis solutions, the Company aims to expand coverage beyond newly built vessels to vessels already in operation, enabling simultaneous improvements in both operational efficiency and environmental performance for shipowners and operators. HD Hyundai Marine Solution will continue to enhance data-based digital solutions and support the maritime industry's digital transformation and green operational framework.

Strengthening Vessel Cybersecurity

HD Hyundai Marine Solution has signed a strategic cooperation agreement with global OT/IoT and Industrial Control System (ICS) cybersecurity solution company Nozomi Networks for the cybersecurity solution sector.

With global maritime cybersecurity regulations becoming increasingly stringent, demand for cybersecurity solutions covering vessel operating systems and industrial control equipment across maritime and shipbuilding industries continues to grow. In response, HD Hyundai Marine Solution is collaborating with Nozomi Networks to advance solutions capable of addressing strengthened OT cybersecurity requirements for major global shipowners including those in Europe. HD Hyundai Marine Solution's cybersecurity solution under development and operation, Hi-Secure, is being integrated with Nozomi Networks' OT security technology to strengthen vessel operating system security response capabilities, establishing a foundation to more effectively respond to cyber threats in vessel operating environments and comply with global maritime cybersecurity regulations.

Through this collaboration, HD Hyundai Marine Solution plans to strengthen OT cybersecurity capabilities required in smart vessel environments, supporting shipowners and operators in conducting safer and more stable vessel operations. The Company also plans to continuously strengthen its cybersecurity capabilities in the maritime digital solution sector.

Business Highlights

Business Performance

Investment for a Sustainable Future

Enhancing Logistics Infrastructure and Developing a Smart Port Platform

HD Hyundai Marine Solution is pursuing the establishment of its own logistics center to strengthen parts business competitiveness. To address structural limitations arising from the existing rental and consignment-based logistics operations and secure operational stability, the Company plans to progressively establish automated self-operated warehouses by 2028. Through this, the Company aims to enhance transportation and warehouse operational efficiency across the entire AM (Aftermarket) business and establish a stable parts supply system. In parallel, the Company is also pursuing smart port platform development based on digital smart vessel technologies. The Company plans to sequentially establish port warehouses at key global locations across Asia, Europe, and the Americas, and on this basis, strengthen its global logistics network to build a more efficient logistics operational framework.

AM Business Expansion and Service System Enhancement

HD Hyundai Marine Solution is expanding the scope of its AM business through the acquisition of an engine aftermarket service business and pursuing greater market share. Building on this, the Company is strengthening overall AM business competitiveness and establishing a sustainable growth foundation through mid-to-long-term revenue growth and a more stable business structure.
Furthermore, leveraging the integration of its engine after-service business and existing parts supply capabilities, the Company is enhancing dedicated service capabilities for customer vessels and pursuing vertical integration of parts and services to maximize cross-functional synergies. The Company plans to continuously build and operate a comprehensive service framework covering all aspects of vessel operations, thereby strengthening customer responsiveness and establishing a stable business foundation.

Digital Platform Advancement

HD Hyundai Marine Solution is pursuing digital infrastructure advancement including portals, cloud, and inventory management systems to strengthen the technological competitiveness of its proprietary smart vessel solution 'OceanWise' and expand its service scope, while actively investing in securing data specialists. Building on this, the Company is progressively pursuing its transition into a digital technology-driven integrated shipping and port platform business.

Global Leadership

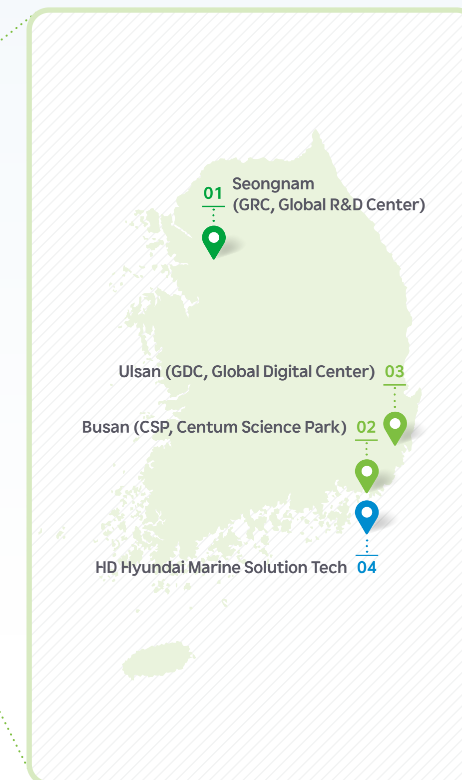
Expanding Our Global Network

HD Hyundai Marine Solution continues to expand its global service reach through the expansion of its global ship repair network and strategic collaboration with digital shipping and port specialists. Building on this, the Company is strengthening its green retrofit project delivery capabilities and broadening the application scope of its digital marine solutions, ultimately expected to support the expansion of sustainability-related businesses and enhanced accountability at a global level.

Global Network

Global Network

HD Hyundai Marine Solution operates a global network centered around the HD Hyundai Global R&D Center in Seongnam, Gyeonggi-do, encompassing 1 domestic subsidiary, 4 overseas subsidiaries across Europe, Singapore, the United States, and the Middle East, and 6 overseas branch offices. Key hubs are strategically located in regions with active vessel traffic including Singapore, China, Greece, Germany, the United States, and Japan, delivering integrated services across the entire vessel lifecycle through this global network.



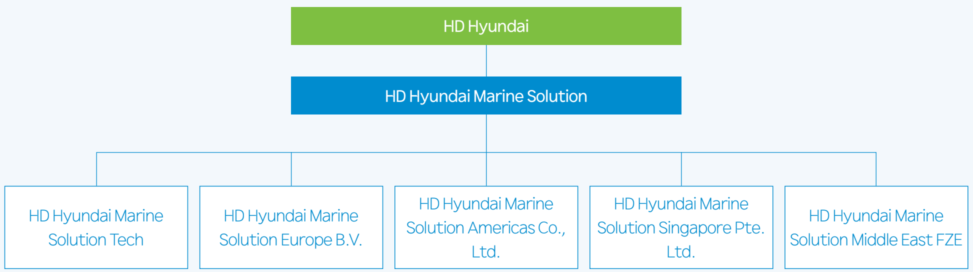
Headquarters	01	Seongnam (GRC, Global R&D Center)
Domestic Offices	02	Busan (CSP, Centum Science Park)
	03	Ulsan (GDC, Global Digital Center)

Subsidiaries/ Branches/Offices	04	HD Hyundai Marine Solution Tech
	05	Ningbo (China) Branch
	06	Panama City (Panama) Branch
	07	HD Hyundai Marine Solution Europe B.V.
	08	Athens (Greece) Branch
	09	Hamburg (Germany) Office
	10	HD Hyundai Marine Solution Americas Co., Ltd.
	11	HD Hyundai Marine Solution Singapore Pte. Ltd.
	12	Tokyo (Japan) Branch
	13	Taoyuan (Taiwan) Branch
	14	HD Hyundai Marine Solution Middle East FZE

Global Network

Subsidiaries

Organizational Structure



Ownership structure

Company Name	Location	Incorporation Year	Ownership
HD Hyundai Marine Solution Tech	Korea	2022	100%
HD Hyundai Marine Solution Europe B.V.	The Netherlands	2017	100%
HD Hyundai Marine Solution Americas Co., Ltd.	USA	2017	100%
HD Hyundai Marine Solution Singapore Pte. Ltd.	Singapore	2017	100%
HD Hyundai Marine Solution Middle East FZE	UAE	2022	100%

Financial Performance[1]

(Unit: KRW million)

Company	Total Assets	Revenue	Net Income
HD Hyundai Marine Solution Tech	33,504	102,351	4,299
HD Hyundai Marine Solution Europe B.V.	155,010	361,903	6,725
HD Hyundai Marine Solution Americas Co., Ltd.	40,801	87,086	2,993
HD Hyundai Marine Solution Singapore Pte. Ltd.	116,598	519,339	5,486
HD Hyundai Marine Solution Middle East FZE	30,797	57,510	1,942

1) Based on the separate financial statements as of December 31, 2025

HD Hyundai Marine Solution Tech

Company Introduction

HD Hyundai Marine Solution Tech was established in 2022 to provide specialized technical services for HD Hyundai's vessel, engine & machinery, and electrical & electronic businesses. Based on the expertise of top engineers with highly skilled technical capabilities in the vessel, engine & machinery, and electrical & electronic systems sectors, the Company provides rapid technical sales support and technical support for customers' vessel maintenance and repair. HD Hyundai Marine Solution Tech will always lead the way in realizing customer satisfaction based on the expertise of top engineers possessing industry-leading technology.

Key Business Areas			
Onboard Service	• Emergency repair response	• On-site repair	• Maintenance services provision
Dry-dock Maintenance	• Vessel inspection while at berth	• Repair support	• Maintenance services when underwater operations are not feasible
Workshop Reconditioning	• Remote monitoring diagnosis	• Remote troubleshooting	
Propeller & Rudder Package	• Propulsion and steering system maintenance		• Integrated package service provision

Key Business Strategies	
Global Academy	• Growing demand for maintenance services driven by surge in vessel orders → Plan to maintain and enhance industry-leading service quality by operating training institutions that develop large/medium engine and electrical & electronic engineers
Strengthening Service Network Competitiveness	• Deployment of skilled engineers and dedicated Project Managers (PMs) capable of delivering services at the right place and time at each hub including Panama, Rotterdam, and Singapore → Plan to continuously provide customer satisfaction-first services by improving service response rates

Global Network

HD Hyundai Marine Solution Europe B.V.

Company Introduction

HD Hyundai Marine Solution Europe B.V. was established in Rotterdam, the Netherlands in 2017 to better serve European customers and strengthen regional operations. As the hub for aftermarket sales and execution of vessels and engines built by Group shipyards, the Company provides one-stop solutions encompassing vessel equipment sales and technical services to European customers. Going forward, the European subsidiary will expand its sustainable fuel solutions and high-efficiency retrofit business to achieve global carbon neutrality. The Company will also nurture vessel service specialists by increasing local hiring and operating technical training programs, contributing to mutual growth with local communities. The Company plans to strengthen transparent decision-making frameworks and actively implement responsible management by applying ESG (Environmental, Social, and Governance) standards across the entire supply chain.

Key Business Areas	
Marine Parts/Services	• Supply of original spare parts and qualified engineers required for maintenance and repair of all equipment post vessel delivery • Provision of Total Solution Service for stable vessel operations
LTSA	• Enhancing vessel operational convenience through Long-Term Service Agreement (LTSA) solutions • Provision of services optimized for latest maintenance operations to address environmental regulations
Retrofit	• Execution of direct and indirect green retrofit projects in response to growing parts and service demand for newly developed green engines

Key Business Strategies	
Long Lead-time Critical Parts Bulk Contract	• Strengthening long lead-time gas parts response capabilities in response to increasing dual-fuel engine deliveries, and addressing supply issues in advance through fleet-level bulk contracts
Response to Deteriorating Shipping Market	• Offering competitive pricing through bulk contracts in response to shipowner budget cuts driven by increased newbuild vessel deliveries
Warehouse Expansion	• Rapid delivery response through Rotterdam warehouse expansion
LTSA Contract Expansion	• Extension of existing LTSA contracts and acquisition of new shipping companies, maintaining stable revenue through long-term volume securing

HD Hyundai Marine Solution Americas Co., Ltd.

Company Introduction

HD Hyundai Marine Solution Americas has been conducting sales of vessel parts/services, onshore power plant, sustainable solutions, and new businesses targeting North and South American customers since 2017. The Company has achieved remarkable growth through annual contract expansion and strengthening of initial/bulk sales, generating significant order results through bulk expansion and initial spare parts orders targeting major customers including SEASPAN. The Company provides customer-tailored products and builds real-time response processes to expand customer satisfaction and performance, while solidifying a stable business foundation through new business development in the engineering sector.
The Americas subsidiary is expanding its sales network from North America and Canada to South American onshore power plants across the entire Americas region based on the offshore market, and is also expanding into green business sectors.

Key Business Areas	
Drillship	• Executing stable long-term fixed contracts based on drillship's solid uptime
General Cargo Vessels	• Customer-tailored proposals for product-specific market share expansion • Periodic dry-dock maintenance linked package service provision
Onshore Power	• Pursuing long-term contracts from TBO (Time Between Overhaul) fixed contracts to LTPA

Key Business Strategies	
Drillship	• Growing trend of long-term drilling contracts in safety-first industrial environments • Market preference for licensed long-term contract packages (parts and services)
General Cargo Vessels	• Expanding periodic dry-dock services targeting U.S. government-affiliated vessels and the Central/South American region through strengthened collaboration with local service partners • BULK expansion and initial spare parts order contracts
Onshore Power Generation	• Growing maintenance service demand in response to peak power demand, leading to safety stock and long-term parts supply contracts

Global Network

HD Hyundai Marine Solution Singapore Pte. Ltd.

Company Introduction

HD Hyundai Marine Solution Singapore Pte. Ltd. was established in 2017. Based in Singapore, a global maritime hub handling over 3 billion tons of annual maritime cargo, the Company provides Aftermarket Services for stable vessel operations including dry-dock services for vessels requiring maintenance across Asia, bunkering services, and sustainable technology application to vessels traveling throughout China and other Asian regions.

The Singapore subsidiary has grown centered on existing parts, services, and bunkering businesses, and has recently expanded its business into digital solutions and green retrofit projects, generating significant order results. In 2026, the Company plans to enhance governance through group-level system integration including digitalization (G-office, MS365) and HR systems based on improved workspace efficiency through integrated office relocation in Singapore, and further advance its sustainable management framework. The Singapore subsidiary also aims to obtain ISCC EU (International Sustainability and Carbon Certification) certification in the first half of 2026, and plans to establish a sustainable raw material transaction framework through this.

Key Business Areas	
Engine/Vessel Equipment Parts Supply & Services	• Parts sales and technical services for shipbuilding equipment, engines, and electrical/electronic/utility equipment targeting Asian customers • Engine parts and power equipment supply for onshore power plants • Building stable and sustainable trading relationships with customers through LTSA[1] contract signings
Bunkering	• Supply of high-quality marine gas oil (LSMGO[2]) in collaboration with HD Hyundai Oilbank Singapore • Handling of other vessel fuel oils (HSFO[3]/LSFO[4])

Key Business Strategies	
Risk Management	• Risk reduction through bunkering receivables insurance • Risk diversification through bunkering new business development and business diversification
Biofuel	• Obtaining biofuel-related ISCC certification and developing new items (in progress)
Green Retrofit Project	• Providing vessel retrofit solutions to enable safe vessel operations in compliance with IMO environmental regulations and international standards
DT Solution	• Collecting major onboard equipment data for vessel operation and equipment management through integrated smartship solutions and providing API services • Providing vessel and engine major equipment analysis services and optimal voyage services

1) LTSA: Long-Term Service Agreement
2) LSMGO: Low Sulphur Marine Gas Oil (sulfur content below 0.1%)
3) HSFO: High Sulphur Fuel Oil
4) LSFO: Low Sulphur Fuel Oil

HD Hyundai Marine Solution Middle East FZE

Company Introduction

HD Hyundai Marine Solution Middle East FZE was established in Dubai's Jebel Ali Free Zone in 2022 to enhance customer proximity and foster closer relationships with customers in the Middle East and North Africa (MENA) region while proactively expanding into new markets. The Company supports parts and service and lifecycle for vessels, onshore power equipment in the Middle East, Turkey, and Africa regions, and maintains USD 3 million worth of emergency repair parts inventory.

The Middle East subsidiary leverages its geographic proximity to customers to strengthen customer relationships and enhance responsiveness to local market needs. Based on this environment, the Company more promptly understands customer needs and local market characteristics, providing on-site focused close-knit services. As a result, the Company continuously expands touchpoints with previously inactive customers and newly acquired shipping companies, contributing to sustainable growth and a stronger business foundation through these efforts.

Key Business Areas	
Marine Parts/Services	• Supply of parts required for maintenance and repair of all equipment post vessel delivery • Provision of Total Solution Service for stable vessel operations
Dry-Dock Maintenance	• Maintaining cooperative relationships with regional repair shipyards for service provision covering 2-Stroke/4-Stroke engines, electrical/electronic systems, and various equipment
Onshore Power Generation	• Provision of customized services for power generation sites in Iraq, Eritrea, Guinea, Nigeria, Kenya, Mauritius, and other regions

Key Business Strategies	
LTSA Contracts	• Building stable customer partnerships • Actively pursuing LTSA contracts for stable revenue and operational efficiency → Strengthening supply contract stability and vessel trust through LTSA signings with Turkish shipping companies
General Cargo Vessels	• Building close collaborative relationships with Middle Eastern shipping companies through subsidiary establishment and technical seminars such as HMS DAY
Onshore Power Market Expansion	• Laying the foundation for expanding market share by broadening customer touchpoints based on engine performance and reliability, considering the continuously expanding HiMSEN-based onshore power demand across the Middle East and Africa
Market Expansion	• Strengthening close service capabilities targeting local shipping companies by leveraging geographic advantages • Pursuing market expansion through identification and collaboration with efficiently manageable shipping companies

SUSTAINABILITY AT HMS

ESG Strategy

HD Hyundai Marine Solution Vision Framework

Vision

Green Solutions Toward Sustainable Future

ESG Strategic Direction

Toward Green Planet	Toward Respecting People	Toward Sustainable Profit
Strengthening climate change response and environmental management systems	Strengthening safety and health systems and supply chain ESG management	Leading a sustainable future based on green and digital approaches

Strategic Initiatives

Toward Green Planet	Toward Respecting People	Toward Sustainable Profit
Strengthening Climate Change Response • Achieving carbon neutrality by 2035 • Expanding decarbonization effort and the transition to renewable energy	**Strengthening Safety & Health Framework** • Strengthening safety and health management systems • Expanding safety culture and specialist workforce	**Accelerating Green Technology Development and Digital Transformation** • Expanding green technology development and investment • Expanding new businesses based on digital transformation
Strengthening Environmental Management Framework • Enhancing capabilities to respond to global environmental regulations • Establishing environmental management targets and progress monitoring	**Strengthening Supply Chain ESG Management** • Expanding supply chain ESG support programs • Strengthening supply chain impact assessment and risk management	**Establishing ESG Management Framework** • Strengthening ESG data and performance management • Advancing ESG governance framework

ESG Initiative Participation

Global Initiative Participation Status

Task Force on Climate-related Financial Disclosures (TCFD)

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Since 2024, the Company has been building a climate change risk and opportunity identification framework, analyzing financial impacts, and establishing response strategies and risk management frameworks based on TCFD (Task Force on Climate-related Financial Disclosures), a framework for disclosing the financial impact of climate change on companies.

Carbon Disclosure Project (CDP)

CDP

Since 2025, the Company has participated in CDP (Carbon Disclosure Project) to transparently disclose climate change and environmental information.

UN Sustainable Development Goals (UN SDGs)

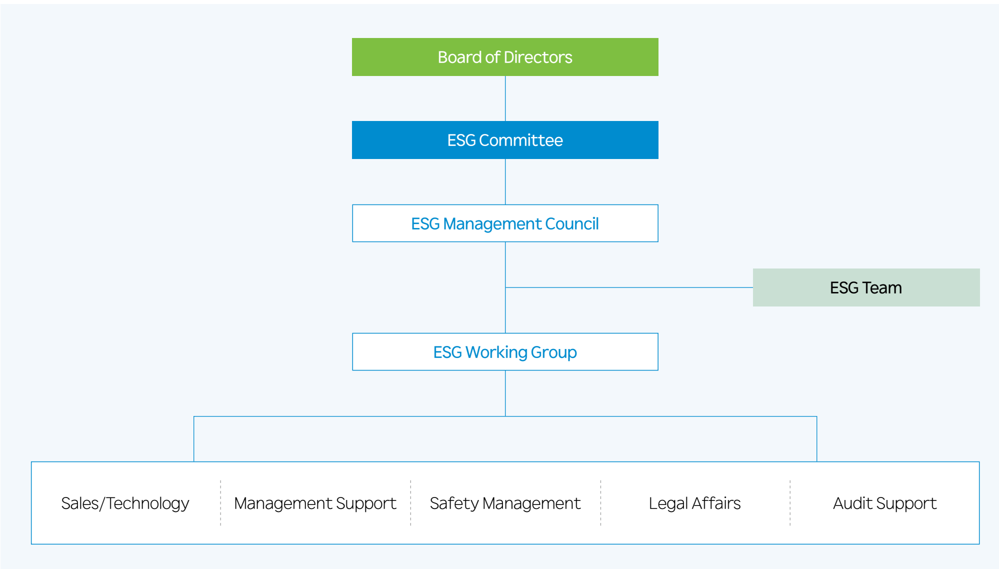
SUSTAINABLE DEVELOPMENT GOALS

To implement the UN SDGs (Sustainable Development Goals), which aim to address global challenges such as poverty, climate change, and the environmental issues and achieve sustainable development, the Company aligns its major ESG activities with SDG targets and contributes to achieving them.

ESG Governance

HD Hyundai Marine Solution ESG Governance

HD Hyundai Marine Solution ESG Governance System



Key Roles by Governance Organization

Category	Composition	Key Roles	Schedule
ESG Committee	1 executive director 4 independent directors	• Review and approve ESG strategies and plans • Manage key ESG risks and opportunities	Annual / as needed
ESG Management Council	Executives (headquarters' directors, division heads, responsible executives)	• Monitor execution of ESG strategic tasks	Annual / as needed
ESG Working Group	ESG personnel from each department (ESG Ambassador)	• Support ESG performance management and decision-making • Assist with sustainability report publication and ESG evaluation responses	As needed

ESG Committee

The ESG Committee was established under the Board of Directors in November 2023 to drive corporate and shareholder value enhancement through strengthened ESG management. The Committee reviews and approves ESG strategic direction and execution plans, covering key responsibilities including ESG strategy formulation, implementation monitoring, and review of social responsibility-related issues. It also evaluates major agenda items across overall sustainability management, including ESG capability development and internalization support requirements.

Key ESG Committee Performance Overview

Date	Agenda	Resolution	Attendance
2025.04.24	• Election of ESG Committee Chairperson	Reported	100%
	• Approval of Sustainability Report publication plan	Reported	100%
	• Approval of ESG materiality assessment results and table of contents	Reported	100%
	• Approval of 2025 ESG assessment response and strategy	Reported	100%
	• Approval of 2025 ESG KPIs and targets	Approved	100%
	• Global ESG disclosure/regulation trends report	Reported	100%
2025.07.24	• Approval of 2024 Sustainability Report publication	Approved	100%
	• Human rights due diligence results and human rights management report publication	Reported	100%
	• ESG assessment response roadmap report	Reported	100%

ESG Management Council

HD Hyundai Marine Solution operates the ESG Management Council composed of division heads, department heads, and executive-level officers of each business unit. Through this Council, the Company discusses implementation measures for ESG risk and performance management and reviews the progress and performance by relevant departments.

Category	Date	Key Agenda	
ESG Management Council	2025.04.15	• Global disclosure/regulation trends • Sustainability Report publication plan • Materiality assessment results and item derivation	• Report table of contents and communication strategy • 2025 ESG assessment response strategy (draft) • 2025 ESG KPIs and target setting status

ESG Working Group

The ESG Working Group supports ESG performance management and decision-making at HD Hyundai Marine Solution and is convened on an ad-hoc basis as needed when major ESG-related issues arise. Led by the ESG organization, working-level staff across departments collaborate to establish action plans and manage improvement initiatives.

Category	Date	Key Agenda	
ESG Working Group	2025.04.08	• Understanding sustainability disclosure	• Company's ESG activities (SR publication, evaluation response, KPI, campaigns, etc.)

ESG Governance

ESG Insights from the Chair of the ESG Management Council

Sustainable Growth Linking ESG to Corporate Value

HD Hyundai Marine Solution views ESG is not merely a non-financial management function, but as a core management principle that integrates business competitiveness, risk management, and capital efficiency.

At the core of the Company's business is the enhancement of asset utilization and value creation through vessel retrofits, maintenance, and operational optimization. This is closely aligned with the direction of change in the global maritime industry toward green transition and greater resource efficiency, and is based on a business structure that enhances customers' operational efficiency and economic value while simultaneously creating environmental value.

In particular, the Company continues to expand its strategic investments in future growth engines including green retrofit solutions, OceanWise—its optimized voyage routing solution—and AI-driven operational optimization. At the same time, the Company is paying close attention to emerging social issues, such as rising energy demand associated with the recent expansion of AI, data centers, and digital infrastructure. In response, HD Hyundai Marine Solution is further advancing its ESG strategy in a way that carefully balances growth, efficiency, and sustainability.

Strengthening the ESG Management Foundation for Sustainable Growth

From this perspective, HD Hyundai Marine Solution is focusing on three key ESG areas to support sustainable growth.

First, we are strengthening our response to climate change and enhancing our competitiveness in sustainable businesses. The Company is reinforcing its climate response framework by advancing its Scope 3 emissions calculation system and responding to evolving global disclosure standards. We are also reviewing the introduction of an internal carbon pricing (ICP) mechanism to establish a framework that reflects carbon costs in investment decision-making. In addition, by supporting green retrofits and operational optimization from a full vessel lifecycle perspective, we are enhancing customers' asset value while identifying new business opportunities.

Second, we are advancing our safety, health, and operational risk management systems. The Company places the highest priority on the safety of all stakeholders, including employees, customers, and suppliers. Accordingly, we are enhancing our preventive safety management system through initiatives such as risk assessments, the establishment of a mid- to long-term occupational safety and health roadmap, and the strengthening of safety and health management systems for our suppliers.

Third, we are strengthening ESG management across the supply chain and enhancing external trust. The Company continues to expand ESG assessments, due diligence, and training for suppliers, thereby reinforcing ESG response capabilities throughout the supply chain. We believe this is a critical pillar for proactively managing supply chain risks and building a more resilient foundation for long-term growth.

Based on this ESG management foundation, HD Hyundai Marine Solution is pursuing a growth strategy centered on sustainable businesses and digital solutions, while striving to deliver sustainable performance.

Key Achievements from ESG Strategy Execution

Building on this ESG management foundation, the Company delivered meaningful results this year, particularly through the expansion of sustainable businesses and digital transformation. At the same time, we have continued to advance our execution framework in a way that balances business growth and sustainability, while recognizing changing market conditions and emerging challenges.

First, the Company responded proactively to changes in global environmental regulations by addressing the IMO 2050 Net Zero roadmap and reviewing the introduction of an internal carbon pricing (ICP) mechanism. At the same time, we expanded orders for sustainable solutions, including EPLO projects for approximately 100 vessels, Shaft Generator projects for 25 vessels, one FSRU, and one FSU. These achievements demonstrate the growing importance of our green technology-based business as a key driver of growth.

While short-term volatility may arise depending on the timing of environmental regulations and market conditions, we remain committed to continuously advancing our business portfolio centered on sustainable solutions and building a more stable foundation for long-term growth.

In the area of digital transformation, we are expanding data-driven optimization services centered on OceanWise, thereby enhancing customers' operational efficiency and resource utilization. Going forward, we plan to evolve beyond simple data provision toward a more advanced service framework based on predictive maintenance, further strengthening customers' cost efficiency and business competitiveness.

These achievements demonstrate that ESG is not a separate management activity, but rather an integral part of the Company's business competitiveness and growth strategy. Going forward, we will continue to strengthen the linkage between ESG and our core business, while making sustained efforts to translate this into enhanced corporate value and shareholder value.

Enhancing Corporate and Shareholder Value through the Integration of ESG

For ESG to translate into long-term performance and corporate value, it is essential that it be naturally embedded across the business as a whole. To this end, the Company is working to link ESG with the core capabilities of each business division so that ESG can operate in a meaningful and practical manner throughout the business.

Representative examples of this approach include sustainable spare parts supply through AM solutions, green retrofit projects, the provision of sustainable fuels, and digital-based voyage optimization services. At its core, the Company's business is structured to help vessels operate longer and more efficiently, creating a foundation for generating both environmental and financial performance.

From a governance perspective, the Company is also strengthening the foundation for shareholder-friendly decision-making. Through amendments to the Articles of Incorporation, we have enhanced the predictability of dividends, while also pursuing a balanced approach to independence, expertise, and diversity in the composition of the Board of Directors. These efforts provide the foundation for ensuring that ESG management does not remain merely declarative, but instead leads to enhanced corporate value and stronger shareholder trust.

In recent years, investors have become less focused on ESG activities in and of themselves and more concerned with how ESG management is linked to business growth, profitability, cash generation, and risk management capabilities. In response, the Company seeks to communicate ESG as a management language linked to growth, profitability, risk management, and capital efficiency.

Ultimately, HD Hyundai Marine Solution views ESG not as a means of short-term image enhancement, but as a driver of long-term business competitiveness and corporate value. Going forward, we will continue to expand our solutions across the entire vessel lifecycle, creating both customer value and corporate value while growing into a company that leads the sustainable transformation of the maritime industry.

Jeong-hyeok Kim,
Chief Financial Officer and
Chair of the ESG Management Council

ESG Highlights

Environmental

Expansion of Sustainable Solutions

- Received first-ever order for FSRU (Floating Storage and Regasification Unit) and completed **17** EPLO (Engine Part Load Optimization) projects

Participation in CDP Ratings and Obtained Grade B

- Participated for the first time in the CDP (Carbon Disclosure Project) rating and obtained a **B grade**

Introduction of Internal Carbon Pricing

- Incorporated carbon emissions costs in investment decision-making

Expansion of Renewable Energy Usage

- Expanded the use of renewable energy through the purchase of 78 RECs (111 MWh)

Social

Expansion of Supply Chain Risk Assessments

- Increased the number of suppliers subject to supply chain risk assessments by **35** year-on-year, from 173 in 2024 to 208 in 2025

Strengthening Employee Job Expertise

- Expanded from existing **3 training programs** to a total of **7 job training programs** including sales, procurement, logistics, environmental, engine, vessel, and DT

Expanded Community Investment

- Donation amount for community increased by **KRW 1.25 billion** compared to the previous year (2024: KRW 2.6 billion → 2025: KRW 3.85 billion)

Expanded the scope of ISO 9001 (Quality Management System) certification

- Extended application of quality management system global standard certification from existing domestic business sites to overseas business sites

Governance

Strong Performance in Governance Core Indicators

- Satisfied **14** out of 15 governance core indicators
- Compliance rate **93.3%**

Obtained ISO 37001 (Anti-Bribery Management System) Certification

- Obtained international standard certification for preventing and managing bribery and corruption risks

Established a Subcontract Payment Dispute Resolution Mechanism

- Strengthening mutual growth cooperation with suppliers

Strengthened Shareholder Communication

- Announced mid- to long-term plan to enhance corporate value
- Held a total of **7** executive investor meetings since listing

Double Materiality Assessment

Double Materiality Assessment Overview

HD Hyundai Marine Solution conducts an annual Double Materiality Assessment incorporating the material topic selection process of the Global Reporting Initiative (GRI Standards) and the Double Materiality guidelines of the European Sustainability Reporting Standards (ESRS), in order to identify key issues related to the Company's sustainability and effectively respond to major environmental and social impacts, risks, opportunities, and stakeholder requirements.

To derive material issues, HD Hyundai Marine Solution reviewed international reporting standards including ESRS, GRI Standards, ISSB, and SASB, ESG trend publications from MSCI and WEF, and peer benchmarking cases and ESG issue management practices, while comprehensively analyzing internal documents including management strategies, executive KPIs, and historical ESG issues, identifying a pool of 27 sustainability issues.

For the identified issues, impact, risk, and opportunity factors were assessed and analyzed from the perspectives of Impact Materiality and Financial Materiality, on the basis of which 6 final material issues were selected. The materiality assessment process and results were finalized following review and approval by the ESG Committee of the Board of Directors, and reliability and transparency of the assessment were secured through independent third-party verification.

Double Materiality Assessment –Process

Step 1 Sustainability Topic Selection

A process of identifying relevant topics based on an understanding of the Company among various sustainability issues surrounding HD Hyundai Marine Solution. A total of 27 sustainability topics were identified through external landscape analysis and internal document review of sustainability disclosure standards (ESRS, ISSB, etc.).

External Analysis
- Review of global disclosure standards (ESRS, GRI, SASB, ISSB)
- Analysis of global ESG assessment trends
- Review of Peer Group ESG issues

Internal Document Review
- Review of management strategy and business plans
- Review of past sustainability issues
- Review of executive ESG-linked KPIs

Step 2 IRO (Impact, Risk, Opportunity) Identification

A process of identifying actual and potential impacts, risks, and opportunities associated with sustainability issues related to the Company and stakeholders across HD Hyundai Marine Solution's entire value chain. Environmental and social impacts and financial risk and opportunity factors were derived for 27 sustainability topics.

Impact Identification
- Reviewing HD Hyundai Marine Solution's business activities to identify factors affecting the external environment and society

Risk & Opportunity Identification
- Identifying financial risks and opportunities the Company may face due to external sustainability factors (laws and regulations, changes in stakeholder preferences, etc.)

Step 3 Double Materiality Assessment

A process of assessing the materiality of actual and potential, positive and negative impacts of corporate business activities on the environment and society, and the materiality of financial risks and opportunities that ESG issues pose to the Company's financial performance and value, utilizing internal and external indicators to conduct Impact Materiality and Financial Materiality assessments.

Impact Materiality Assessment
- Conducting surveys targeting internal and external stakeholders (employees, suppliers, etc.)
- Reviewing media coverage and issues related to HD Hyundai Marine Solution
- Aligning global disclosure standards and assessment indicators related to impact materiality
- Incorporating sustainability management issues of peer companies and major supply chain companies
- Reviewing global ESG research institution sustainability issue trends

Financial Materiality Assessment
- Conducting surveys targeting internal and external stakeholders (finance department, analysts, etc.)
- Incorporating HD Hyundai Marine Solution management strategy, KPI, and ESG Committee materials
- Aligning global disclosure standards and assessment indicators related to financial materiality
- Incorporating ESG decision-making indicators of global investment firms and credit rating agencies
- Reviewing domestic ESG-related laws and regulations
- Reviewing keywords from media coverage related to HD Hyundai Marine Solution

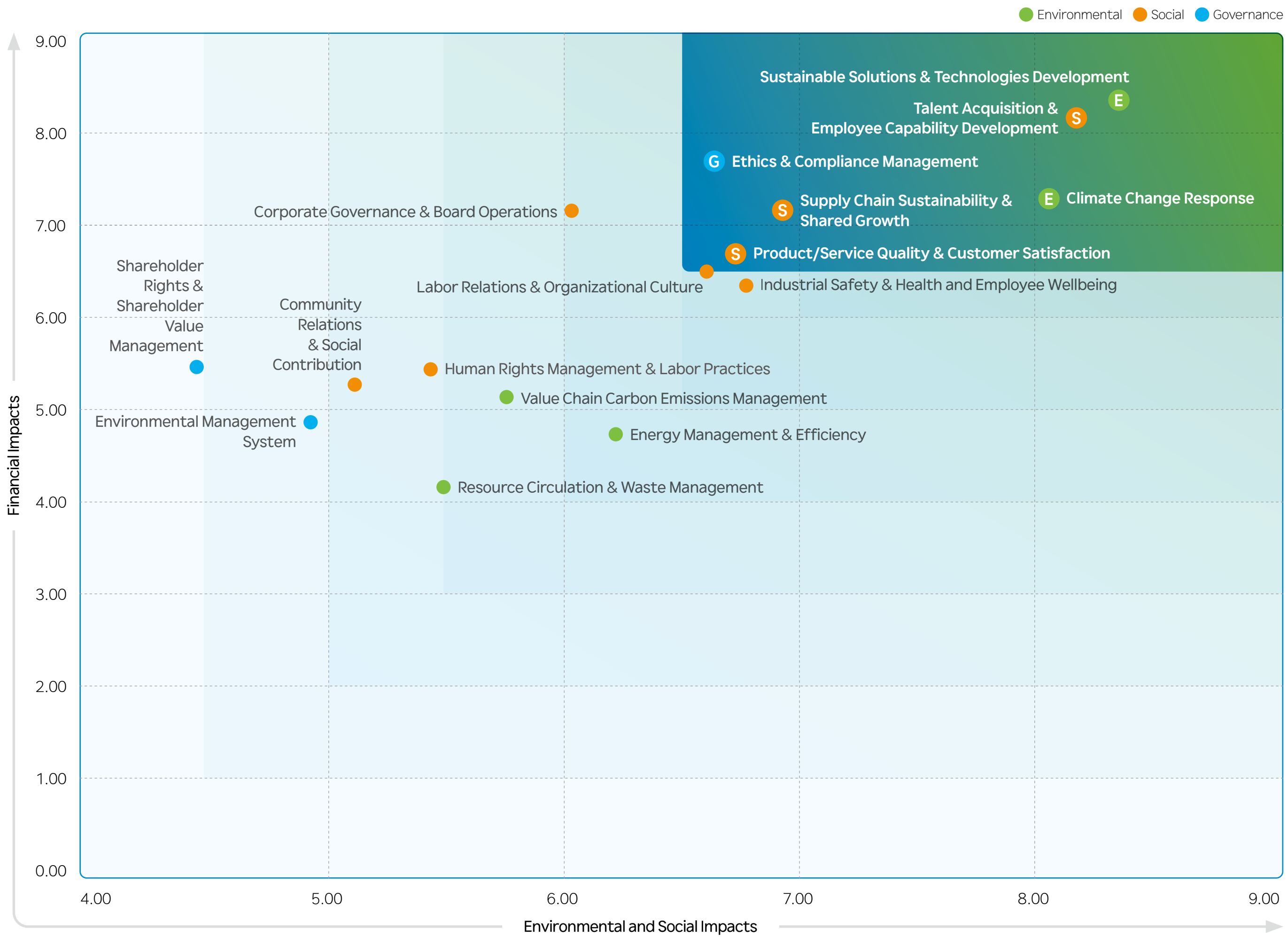
Step 4 Material Issue Prioritization and Reporting

This process involves prioritizing issues based on the results of the double materiality assessment, followed by a comprehensive review from both impact materiality and financial materiality perspectives to finalize the material issues. Six material issues were derived from the Double Materiality Assessment results and received approval from the ESG Committee.

- Prioritization and selection of 6 material issues through comprehensive quantitative analysis of environmental/social impact materiality and financial materiality
- Review and management of important items in the ESG strategy formulation and enterprise-wide risk management process in accordance with priorities
- Reporting material issue selection process and results to the ESG Committee within the Board of Directors as the highest decision-making body for final confirmation

Double Materiality Assessment

Double Materiality Assessment Results



Rank	Issue	Change
1	Sustainable Solutions & Technologies Development	-
2	Talent Acquisition & Employee Capability Development	▲1
3	Climate Change Response	▲2
4	Supply Chain Sustainability & Shared Growth	▼2
5	Ethics & Compliance Management	▲1
6	Product/Service Quality & Customer Satisfaction	▲10
7	Corporate Governance & Board Operations	▼3
8	Industrial Safety & Health and Employee Wellbeing	▲3
9	Labor Relations & Organizational Culture	▲1
10	Human Rights Management & Labor Practices	▼1
11	Value Chain Carbon Emissions Management	New
12	Energy Management & Efficiency	-
13	Community Relations & Social Contribution	▲9
14	Shareholder Rights & Shareholder Value Management	▼7
15	Environmental Management System	▲2
16	Resource Circulation & Waste Management	▼3
17	Management Performance & Financial Soundness	▼2
18	ESG Information Disclosure Quality & Reliability	New
19	Fair Trade & Anti-Corruption	-
20	Digital Transformation & Technology Innovation	New
21	Diversity & Equity & Inclusion (DEI)	▼7
22	Biodiversity & Marine Ecosystems	▼1
23	Information Security & Data Privacy	▼3
24	Sustainable Finance & ESG Investment	▼15
25	Company-wide Risk Management	▼7
26	Tax Transparency & Economic Contribution	New
27	Water Resource Management	▼4

Material Issue Analysis

Sustainable Solutions & Technologies Development

Go to Related Webpage

Materiality Background

01 Increasingly stringent global carbon neutrality targets and environmental regulations led by the International Maritime Organization (IMO) and other international bodies

02 Introduction of short-term regulatory measures for vessel GHG emissions regulation, and determination of mid-term measures including IMO Net Zero Framework in 2025, driving demand for innovative green vessels

03 Need to secure growth momentum by providing sustainable solutions and technologies to pioneer new markets for the Company's sustainable growth

From a Business Value Creation Standpoint

Drivers	• Expanding vessel demand driven by growth in global cargo volume • Accelerating adoption of high-efficiency and low-carbon technologies to reduce carbon emissions at the operational level, in line with increasingly stringent international GHG emissions regulations and carbon neutrality declarations centered on IMO and EU • Long-term demand growth forecast for green retrofit and operational solutions for energy efficiency improvement, carbon emissions reduction, and fuel conversion
Impact on business	**Risks** • Incremental expenditure and R&D costs for sustainable service development **Opportunities** • Revenue growth from sustainable solutions • Enhanced corporate value driven by positive reputation for sustainable solution provision
Value Chain	• Site operation, products and services

From an External Stakeholder Standpoint

Environment, Customer

Business activities	• Contributing to strengthening customers' regulatory response capabilities and reducing carbon emissions costs by developing diverse green technologies including vessel reliquefaction system, engine part load optimization services in response to tightening environmental regulations • Enhancing the asset value of aging vessels and providing sustainable utilization alternatives instead of decommissioning through existing vessel reliquefaction system retrofit, FSRU conversion retrofit solutions, thereby improving shipowners' operational efficiency and environmental response capabilities • Simultaneously supporting customers' operational efficiency and ESG target achievement through AI-based fuel savings and optimal routing solution OceanWise
Impact on external stakeholders	**Positive** • Contributing to climate change mitigation through GHG emissions reduction at product use stage • Providing sustainable value consumption opportunities to users and markets consuming products
Impact indicators	• GHG emissions per product, Social cost per ton of GHG emissions
Performance Metrics	• GHG emissions reduction volume at product use stage

Climate Change Response

Go to Related Webpage

Materiality Background

01 Climate change response has emerged as a core agenda item directly linked to the global carbon neutrality trend, domestic and international regulatory compliance, investor ESG requirements, and customer needs

02 GHG emissions at the vessel operational stage are included in customers' Scope 3 emissions, making carbon emissions reduction through low-carbon technologies and digital solutions provision essential

03 In the event of a passive response to climate change, risks of regulatory non-compliance, declining market credibility, loss of customers, and concerns from external stakeholders may arise, potentially failing to meet high demands

From a Business Value Creation Standpoint

Drivers	• Increasing physical risks (acute: floods, typhoons; chronic: rising average temperatures) due to climate change • Costs incurred for domestic and international carbon emissions (carbon border adjustment, EU CBAM) regulation response • Growing green retrofit demand driven by tightening vessel carbon emissions regulations • Growing necessity for climate change-related stakeholder response capabilities and GHG management across the entire supply chain
Impact on business	**Risks** • Operational costs incurred to implement carbon neutrality roadmap strategies (operational facility efficiency, transition to low-carbon vehicle, and other carbon-offset activities) • Increasing costs for global carbon regulation (ETS, CBAM) response **Opportunities** • Improved profitability driven by increased positive stakeholder perception in response to climate change • Expansion of new business areas through climate change response
Value Chain	• Site operations, supply chain, products and services

From an External Stakeholder Standpoint

Environment, Customer, Suppliers, Government and related institutions

Business Activities	• Declaring carbon neutrality target by 2035 and establishing detailed roadmap to achieve carbon neutrality ahead of the 2050 carbon neutrality target • Established greenhouse gas reduction measures by electrifying business vehicles and purchasing Renewable Energy Certificates (RECs)
Impact on external stakeholders	**Positive** • Contributing to climate change mitigation in alignment with global efforts to limit global warming to 1.5°C through GHG reduction via carbon neutrality roadmap implementation **Negative** • GHG emissions from site operations accelerate global warming, leading to climate change such as climate system disruption, extreme weather events, rising sea temperatures, and sea level rise • Negative impacts including environmental pollution and ecosystem destruction due to increased extraction of energy resources such as oil and gas
Impact indicators	• Site GHG emissions, social cost per ton of GHG emissions
Performance Metrics	• GHG reduction volume (Scope 1, 2), renewable energy ratio

Material Issue Analysis

Talent Acquisition & Employee Capability Development

Go to Related Webpage

Materiality Background

01 Securing talent with professional and sustainable competencies in the technology-centered maritime and shipbuilding industry is a core element for long-term competitiveness, ESG response capability enhancement, and providing high credibility and business stability to external stakeholders including investors and customers

02 A talent acquisition framework that creates value chain connections with local communities and educational institutions contributes to youth employment and industrial ecosystem strengthening, also meeting social requirements

03 Unequal training opportunities, non-transparent evaluation and compensation systems lead to declining organizational trust and talent exodus, potentially resulting in declining trust from external stakeholders including customers and suppliers

From a Business Value Creation Standpoint

Drivers	• Establishing a foundation for securing outstanding talent capable of long-term growth aligned with organizational culture through fair and diversified recruitment systems and industry-academia cooperation and various talent inflow channels • Strengthening company-wide learning culture and sustainable internal growth structure through employee-tailored training, leadership programs, and career development system operations	
Impact on business	**Risks** • Additional costs incurred for talent management and training reinforcement	**Opportunities** • Improved employee satisfaction and productivity through fair performance evaluation • Revenue growth and sales increase through product/service quality improvement via outstanding talent retention
Value Chain	• Site operations	

From an External Stakeholder Standpoint

Society, Employees

Business Activities	• To strengthen the foundation for future growth, the company operates competency development programs—covering job skills, language, degrees, and certifications—for all employees, including fixed-term workers, to support their continuous professional growth • Through education systems such as core job lectures, HMS Tech School, and quality/environmental training, the company strengthens job expertise and on-site skills, and develops practical talent in engines, ships, DT, procurement, and sales • Through fair evaluation/compensation and self-directed growth support, the company secures and develops talent, and continuously boosts competitiveness by strengthening global capabilities and expertise		
Impact on external stakeholders	**Positive** • Improved sense of achievement and satisfaction from employee capability strengthening and career development, and performance-based compensation • Supporting the development of highly skilled talent and enhancing national competitiveness through continuous employee training and capability development support		
Impact indicators	• Employee satisfaction	Performance Metrics	• Employee training costs

Supply Chain Sustainability & Shared Growth

Go to Related Webpage

Materiality Background

01 Suppliers are key stakeholders in the value chain, and their ethics, stability, quality, and service levels are directly linked to the Company's product credibility, market competitiveness, reputation, and profitability

02 As global standard-compliant supply chain management requirements tighten, corporate responsibility for suppliers' Scope 3 carbon emissions management and ESG response capability expansion increases

03 Quality issues, human rights and environmental risks within the supply chain can lead to direct corporate impacts including quality deterioration, sales losses, and reputational damage, requiring proactive response

From a Business Value Creation Standpoint

Drivers	• Expanding global supply chain ESG regulation and reporting obligations including EU CBAM and supply chain due diligence laws • Increasing corporate responsibility for suppliers' Scope 3 carbon emissions management and ESG response capability expansion • Raw material supply instability due to geopolitical risks including US-China trade disputes and Middle East conflicts	
Impact on business	**Risks** • Additional costs for selecting alternative suppliers due to supplier ESG issues • Increasing implementation costs for supplier ESG management support	**Opportunities** • Expected capital inflows from global customers, investors, and developed countries upon meeting supply chain management requirements • Cost reduction through stable product delivery and productivity securing through supplier competitiveness strengthening
Value Chain	• Site operations, supply chain, products and services	

From an External Stakeholder Standpoint

Society, Suppliers

Business Activities	• Establishing mutual growth policies to build a healthy corporate ecosystem, supporting suppliers to fulfill social responsibilities, and conducting activities for fair trade culture establishment and dissemination • Conducting supply chain due diligence (EU Corporate Sustainability Due Diligence Directive) response and supplier ESG management status reviews • Reflecting ESG assessment and improvement results to enhance overall supply chain ESG management understanding and planning to continuously expand supplier ESG due diligence scope		
Impact on external stakeholders	**Positive** • Building a sustainable supply chain by managing suppliers' environmental regulation compliance • Establishing a foundation for mid-sized companies to develop competitiveness under global ESG standards in the long term		
Impact indicators	• Supply chain sales growth rate	Performance Metrics	• Supply chain ESG assessment and improvement items, supplier support funds

Material Issue Analysis

Product/Service Quality & Customer Satisfaction

Go to Related Webpage

Materiality Background

01 Product and service quality and customer satisfaction levels are directly linked to the Company's credibility and brand value, serving as a core factor leading to long-term customer relationship maintenance and repurchase

02 If stability and credibility of industry-specific products and services are not secured, accidents, operational disruptions, and financial losses may occur, requiring systematic quality management

03 As customer requirement levels advance and global market competition intensifies, differentiated quality competitiveness and customer-centered service provision are essential for securing competitiveness as a core factor for sustainable growth

From a Business Value Creation Standpoint

Drivers	• Need to secure quality competitiveness in response to advancing customer requirement levels and deepening global competition • Expanding market expectations for customer experience-centered service provision and customer satisfaction improvement • Need to strengthen the quality management system to secure product and service stability
Impact on business	**Risks** • Increasing customer claims, declining brand credibility, and expanding compensation costs and operational risks from quality issues **Opportunities** • Brand value enhancement, strengthened customer loyalty, and long-term sales foundation securing through outstanding quality and customer satisfaction improvement
Value Chain	• Products and services

From an External Stakeholder Standpoint

Society, Customer

Business Activities	• Operating customer experience management framework through customer VOC (Voice of Customer) collection, analysis, and improvement activities • Strengthening internal processes for rapid response and recurrence prevention upon quality issues
Impact on external stakeholders	**Positive** • Improved customer trust and satisfaction, and strengthened long-term partnership with suppliers through stable quality and customer-centered service provision **Negative** • Increased customer dissatisfaction and claims, declining brand credibility, and deteriorating trading relationships upon product defects or service failures
Impact indicators	• Customer satisfaction, changes in customer retention and repurchase rates
Performance Metrics	• Quality management system establishment and certification (ISO, etc.), customer VOC (complaint/inquiry) scores and handling cases

Ethics & Compliance Management

Go to Related Webpage

Materiality Background

01 Ethical decision-making and legal compliance are core factors in building trust with external stakeholders including customers, suppliers, and investors

02 Maintaining fair competitive order and establishing transparent governance structure are the foundation for creating a sustainable business environment

03 In international supply chains, risks of transaction suspension or exclusion from global customers and partners upon ethical responsibility non-fulfillment exist

04 Violations of anti-corruption and fair trade not only pose reputational risks but also directly lead to financial losses including legal sanctions and business opportunity losses

From a Business Value Creation Standpoint

Drivers	• Need to strengthen compliance framework to secure customer and investor trust • Growing importance of proactive risk management capabilities amid tightening global regulations
Impact on business	**Risks** • Costs incurred for ethics/compliance management framework establishment and operation • Financial losses from monetary and non-monetary sanctions **Opportunities** • Increased investor trust and customer loyalty from ethics management implementation • Preventing financial losses by reducing legal risks through ethics and compliance management implementation
Value Chain	• Site operations, supply chain, products and services

From an External Stakeholder Standpoint

Governance, Governments and related institutions

Business Activities	• Operating guidelines to comply with domestic anti-corruption laws and international anti-corruption conventions • Conducting ongoing monitoring of Fair Trade Commission subcontract-related regulations and preparing proactive response measures for related incident occurrences • Checking each department's compliance with anti-corruption laws, and operating a screening process for approval of new transactions • Identifying high-risk departments through compliance assessments, conducting major competition-related training, and distributing and managing fair trade self-compliance checklists for high compliance risk departments
Impact on external stakeholders	**Positive** • Securing transparency and credibility of corporate activities through ethics management activities • Forming positive reputation from corporate and social trust building through compliance management strengthening and company-internal and supplier compliance culture formation **Negative** • Declining stakeholder trust from sanctions due to ethics management violations • Strengthening stakeholder monitoring and supervision of the Company from legal violations and sanction occurrences
Impact indicators	• Number of ethics/law violation cases, total number of compliance violations
Performance Metrics	• Anti-corruption and fair trade-related training completion rates, whether reporting channel is operated and number of reports received

Material Issue Performance Management

HD Hyundai Marine Solution identifies key sustainability issues that may have a significant impact on corporate value and systematically manages them. Building on this, the Company continuously strengthens strategic response activities for long-term value creation while fostering the Company's sustainable growth.

Material Issue	Targets/Metrics	Strategy	Performance of 2025	KPI (Linked to Executive Compensation)
Sustainable Solution Development& Investment	**Mid-to-long-term targets** • Expanding the Aftermarket-based sustainable technology business by 2028 and achieving an ROE of 30% and a company-wide operating profit margin of over 20% • Allocating 37% of available resources (EBITDA and IPO proceeds) for future investment activities (capital investment on business system development and logistics infrastructure) in 2026–2029	• Leading global maritime industry decarbonization transition by building a circular vessel operation model that integrates digital technologies including AI-based optimal routing solution (OceanWise) and sustainable technologies, centered on energy efficiency improvement, GHG emissions reduction, and vessel lifespan extension • Advancing sustainable technologies to convert aging vessels into green vessels through Retrofit, enabling continued asset utilization instead of decommissioning, while simultaneously improving customers' operational efficiency and environmental resilience	• Received first-ever FSRU order • Completed approximately 17 EPLO projects	Expanding sustainable technology development and securing future technologies
Talent Acquisition & Capability Development	• Expanding full employee training participation and establishing learning culture • Creating a self-directed career development environment for job expertise and future capability development • Leadership strengthening and organizational capability enhancement **Mid-to-long-term targets** • Expanding female hiring ratio by 2026 (manager target 7.16%)	• Operating fair recruitment systems based on core competencies and diverse talent inflow channels, and nurturing core talent • Establishing company-wide learning culture through job/grade-level training systems • Conducting employee communication and organizational culture improvement activities • Operating global talent nurturing programs • Improving employee engagement and morale through performance-based compensation and commendation systems	• Establishing workforce diversity enhancement targets • Conducting in-house training (HMS Tech School) for engine knowledge improvement for all employees • Expanding in-depth training for company understanding improvement and core job capability strengthening (sales, procurement, logistics, environmental, engine, vessel, DT)	Expanding in-house training
Climate Change Response & Carbon Neutrality	• GHG emissions (Scope 1, 2) **Mid-to-long-term targets** • Achieving carbon neutrality by 2035	• Establishing climate change response framework • Identifying and establishing response measures for climate change risk and opportunity factors	• Introducing internal carbon pricing system • Updating Scope 3 GHG emissions calculation methodology • Expanding domestic renewable energy market through purchase of RECs linked to Bukpyeong Solar Power Plant No. 2 in Donghae, Gangwon-do (78 RECs, 111MWh) • Purchasing and retiring 460 voluntary credits from STAR's TECH KCS Project (KCS-M-23-019)	Reducing GHG emissions
Supply Chain ESG Management & Shared Growth	• ESG management improvement support • ESG risk identification supply chain implementation rate • Supply chain risk assessment execution rate • Supplier support funds	• Establishing supply chain ESG management policies and management framework • Supplier ESG training • Operating shared growth support programs • Advancing supply chain ESG risk diagnosis and assessment framework and promoting company-tailored improvement support • Operating communication channels with suppliers and education, commendation, and financial support programs to promote ESG management practices across the supply chain	• Conducting supply chain risk assessments for 208 companies in 2025 • Implementing early payment policy for pre-payment of approximately KRW 17.3 billion in year-end material payments • Signing MOU for supply chain ESG shared growth fund establishment	Expanding supply chain shared growth
Ethics Management & Compliance	• Ethics and compliance training completion rate **Mid-to-long-term targets** • Strengthening and expanding supplier ethics/compliance management support	• Advancing ethics management framework based on group code of conduct and internal guidelines • Strengthening proactive prevention through regular compliance risk assessment and training • Establishing company-wide compliance culture through compliance policy and fair trade self-compliance program operations	• Obtained ISO 37001 • Establishing subcontract payment dispute resolution mechanism for strengthened mutual growth cooperation with suppliers	Compliance and ethics adherence
Product/ Service Quality & Customer Satisfaction	• Customer satisfaction results • In-house quality inspection defect results	• Strengthening service framework through product standardization, quantification, and regularization • Preventing recurrence through prompt customer feedback • Strengthening quality systems through process improvement and updates	• Expanding ISO 9001 (DNV) certification scope from existing domestic business sites to overseas business sites • Successfully completing FSU and LNG reliquefaction retrofit projects	Improving customer satisfaction

Stakeholder Engagement

Stakeholder Communication

HD Hyundai Marine Solution defines 6 major stakeholder groups for systematic stakeholder communication, and operates tailored communication channels by comprehensively considering the characteristics of each group and interests regarding the Company's major business activities. Key opinions raised by stakeholders are actively reflected across all management activities and business operations. Furthermore, the Company systematically identifies key sustainability issues that impact external stakeholders, and systematically manages positive and negative impacts accordingly. Through this, the Company continues its efforts to build trust with stakeholders and create sustainable value.

1 Identification and definition of major stakeholders

2 Establishing stakeholder engagement and communication plans

3 Identification of stakeholder opinions and issues of interest

4 Incorporating issues in business activities and business operation

Stakeholder Category		Key Communication Channels	Issues of Interest	Aligned Issues	Performance Metrics
Customers	Stakeholders who receive products and services from HD Hyundai Marine Solution	• Customer surveys • Customer visits • Overseas branch operations • Exhibitions, fairs, forums	• Product and service quality improvement • Response to customer inquiries and complaints • Securing sustainable new technologies and expanding new businesses	• Sustainable solution and technology development • Quality and customer satisfaction • Climate change response	• R&D investment costs • Customer satisfaction • Site GHG emissions (Scope 1, 2)
Employees	Employees who contribute to the Company's management activities and sustainability initiatives and play a key role in achieving its strategy and targets	• Intranet • In-house newsletters and Newsletter • In-house communication messenger /bulletin board • Management briefing sessions • Labor-management council • Grievance handling channels	• Enhancing corporate value • Employee-executive communication • Work-life balance • Performance and compensation • Talent development	• Human rights management • Talent management • Organizational culture • Safety management • Climate change response	• Human Rights Grievance Cases • Total employee training costs • Childcare leave utilization rate • Employee lost time injury frequency rate (LTIFR) • Site GHG emissions (Scope 1, 2)
Shareholders & Investors	Stakeholders with financial and non-financial interests in HD Hyundai Marine Solution, expecting long-term value creation and sustainable growth and providing financial capital	• General shareholders' meeting • Corporate briefings • Disclosure and website postings • Investor briefings and conference calls	• Enhancing shareholder value • Strengthening transparent management • Internal and external risk management response • Expanding stakeholder communication • Securing sustainable new technologies and expanding new businesses	• Corporate governance • Shareholder Value • Climate change response	• Independent director ratio • Dividend rate (%) • Site GHG emissions (Scope 1, 2)
Supply Chain	Stakeholders participating in HD Hyundai Marine Solution's value chain, providing products, raw materials, parts, and services to conduct business, forming mutually dependent relationships	• Supplier Council • Supplier intranet • On-site meetings with suppliers	• Creating shared growth value • Strengthening supplier communication and ESG capabilities • Fair trade • Customer satisfaction and safety	• Supply chain • Safety management • Climate change response	• Supply chain risk inspection rate • Supplier lost time injury frequency rate (LTIFR) • Site GHG emissions (Scope 1, 2)
Local Communities	Local organizations, residents, and related institutions directly or indirectly affected by HD Hyundai Marine Solution's business site locations and activities	• Local community volunteer activities • Local public institutions • Civic organizations	• Local community co-prosperity • Social contribution activities • Reducing environmental pollutant emissions • Expanding stakeholder communication	• Community contribution	• Local community co-prosperity donation funds • Local community volunteer hours
Government & Related Institutions	Stakeholders who regulate or support HD Hyundai Marine Solution's management activities through laws, policies, and regulations, supporting social value creation and sustainable development	• National and government ministry visits • Policy briefing participation • Membership in ministry association	• Government policy alignment • Government project participation and support • Industry and corporate information sharing • Local economic revitalization • Safety and labor issues	• Ethics management and compliance • Risk management • Climate change response	• Total number of law violations • Total number of compliance violations • Site GHG emissions (Scope 1, 2)

ESG PERFORMANCE

TOWARD GREEN PLANET

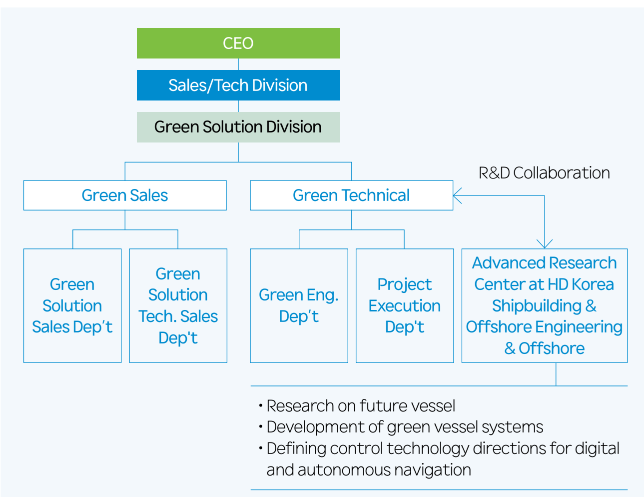
Sustainable Solutions and Technologies Development

Sustainable Solutions and Technologies Development Governance

Technology Development Framework

HD Hyundai Marine Solution has established and operates a cross-departmental collaboration framework to strategically advance low-carbon and environmentally sustainable technologies. The Green Engineering Department performs basic and detailed design of green equipment including reliquefaction systems, FSRU/FSU, and DF Module systems, as well as retrofit and green conversion designs for environmental regulation compliance, while strengthening design capabilities through related technical reviews and collaboration. Furthermore, in collaboration with HD Korea Shipbuilding & Offshore Engineering's Future Technology Research Institute and affiliate R&D organizations, HD Hyundai Marine Solution is developing fuel savings, GHG reduction, and alternative fuel response technologies, and jointly pursuing demonstration-centered R&D in the operation and control of new engine and vessel operating systems.

Organizational Chart of Sustainable Technology Development



Sustainable Solutions and Technologies Development Strategy

Vision 2030 for Green Solution Division

Vision 2030	A company that proactively responds to market changes and customer needs while leading global trends in marine solutions A company that leads decarbonization and sustainability in the maritime industry through green solutions

HD Hyundai Marine Solution has established its Green Solution Division Vision 2030 and is pursuing a mid-to-long-term strategy to develop into a Total Solution Provider covering the entire vessel lifecycle, centered on green vessel retrofit and digital-based solutions. The Company is strengthening technical and execution capabilities centered on turnkey-based integrated services and core businesses linked to HiMSEN engines, expanding competitiveness in the green retrofit market.

Furthermore, the Company is strengthening its operational capabilities through continuous investment for technology internalization and execution capability strengthening in the retrofit business. Through this, the Company is strengthening its capabilities to respond to the decarbonization transition of the shipping industry and changes in global environmental regulations and plans to continuously expand its position in the green vessel retrofit market based on technical competitiveness and business execution capabilities.

Turnkey Solution-Based Vessel Lifecycle Management | HD Hyundai Marine Solution provides integrated services encompassing design, retrofit, installation, and operations through turnkey solutions covering the entire vessel lifecycle. Based on accumulated project experience and a global execution network, the Company is building a Total Management system capable of rapidly responding to diverse regulatory environments and customer requirements.

Proven turnkey capabilities	Projects Delivered and Contracted[1]	1,277	Repair Shipyard Partner Network	47	Countries Available for Project Execution	13

1) The cumulative project count is as of March 2026 and includes projects in the order backlog.

Expanding HiMSEN Engine-Linked Core Businesses | HD Hyundai Marine Solution is expanding its engine-related service capabilities by strengthening maintenance and repair businesses and broadening collaboration with HD Hyundai Heavy Industries and HD Hyundai Marine Engine. Through linkage with dual-fuel (DF) engine and fuel conversion solutions, the Company is also responding to growing demand for the transition to green vessels.

Developing Turnkey Competitiveness
- Intensive engineering focus for rapid response to diverse technical and regulatory changes
- Focus on Total Management (major equipment manufacturers / shipyards, etc.)

Broadening EPLO Engine Cooperation
- Strengthened EMD/HME cooperation and seeking additional competitiveness
- Expanding cooperation with major engine manufacturer MHI[1] to expand EPLO market share

Offering HiMSEN Retrofit Packages
- Stable core business operation through establishment of proprietary solution offerings
- Packaging solutions for HiMSEN EPLO / MSS[2] / MOCS[3] / DF

1) MHI: Mitsubishi Heavy Industries 2) MSS: Methane Slip Solution 3) MOCS: Methane Oxidation Catalyst System

Sustainable Solutions and Technologies Development

Sustainable Solutions and Technologies Development Strategy

Enhancing Technology Development Capability

HD Hyundai Marine Solution is pursuing technology development centered on energy efficiency improvement, GHG emissions reduction, and vessel life extension for green vessel retrofit and supports the maritime industry's transition toward decarbonization. The Company is concurrently advancing methane leakage reduction technology for GHG fuel intensity reduction and IMO environmental regulation response, FSRU/FSU conversion of aged LNG carriers for asset value enhancement, optimal routing and autonomous navigation automation technology advancement, and is formulating and pursuing a mid-to-long-term technology development roadmap based on these directions.

Three Key Directions for Technology Development

Key Direction	Improving energy efficiency	Reducing GHG emissions	Extending vessel lifecycle
	• Develop energy-efficiency technologies that contribute to lower fuel consumption and emissions intensity (EPLO, ESD, etc.) • Advance optimal route solutions	• Expand the adoption of lower-carbon fuels, including sustainable biofuels • Develop methane slip reduction technologies (iCER, MSS)	• Retrofit aging LNG vessels into FSRUs and FSUs

Technology Development Roadmap

Category	Key Goals and Directions	Short-term (~2026)	Mid- to Long-term (~2030)
Technology Development	• Build in-house capabilities for key green fuel conversion technologies and obtain OEM certification	• Turbocharger rematching technology from MHI • Development of fuel efficiency technologies for HiMSEN generator engines	• Establish a strategic cooperation framework with major equipment suppliers to enhance competitiveness • Joint development with Moss to secure an in-house regas design
Vessel Retrofit	• Build a conversion track record and expand the full lineup of green DF conversions	• Reliquefaction / ALS[1] / LD COMP[2] systems for Chevron	• Ammonia and ethane FSRU conversions • Methanol and ammonia DF conversions
Infrastructure Investment	• Vertically integrate the value chain to secure in-house capabilities for vessel retrofit and repair	• EPLO projects for major CNTR shipping companies	• Acquisition of and partnership with engineering companies • Equity investment in a retrofit yard

1) ALS: Air Lubrication System
2) LD COMP: Low Duty Compressor

Advancing Next-Generation Technologies in Response to Evolving Regulations

HD Hyundai Marine Solution is pursuing technology development to reduce carbon emissions costs in response to strengthened GHG emissions regulations at the 83rd IMO MEPC (Marine Environment Protection Committee). The Company is expanding the application of EPLO (Engine Part Load Optimization) technology to diverse marine engines including MHI TC and HiMSEN engines and is pursuing X-DF engine iCER (Intelligent Control by Exhaust Recycling) retrofit and HiMSEN engine Retrofit technology to reduce Methane Slip (methane leakage). These technologies are evaluated as next-generation solutions capable of practically reducing carbon emissions intensity.

Furthermore, in response to the expansion of mandatory California Air Resources Board (CARB) and EU OPS (Onshore Power Supply) systems, the Company is expanding the application scope of AMP (Alternative Maritime Power) systems from container vessels to tankers, car carriers, and other vessel types, and is developing OPS response retrofit technology for vessels calling at major EU ports. Through this, HD Hyundai Marine Solution supports sustainable port operations alongside responding to air quality regulations.

Major Environmental Laws and Regulations

Sector	Related Law/Regulation	Response Strategy
Greenhouse Gas Emissions Reduction	• EU ETS • FuelEU Maritime • IMO MEPC Net Zero Framework • Strengthened GHG Emissions Regulations	• Expanded application of EPLO (MHI TC, HiMSEN Engines) • Development of Methane Slip Reduction Technologies (X-DF Engine iCER Conversion, HiMSEN Engine Retrofit)
Air Emissions Regulations	• CARB (California Air Resources Board) mandatory AMP Installation	• Expansion of AMP application to tankers, PCTCs, and other vessel types beyond container ships
	• Mandatory use of OPS (Onshore Power Supply) at EU ports	• Development of vessel retrofit and OPS response technologies for AMP application

Sustainable Solutions and Technologies Development

Sustainable Solutions and Technologies Development Performance

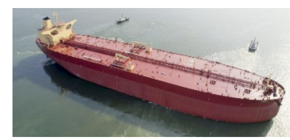
Vessel Operation Efficiency Improvement Technology

Amid growing demand for the transition to green vessels driven by the IMO's strengthened GHG regulations, HD Hyundai Marine Solution supports shipping companies in improving fuel efficiency and reducing GHG emissions by providing data-driven voyage solutions and energy efficiency solutions that optimize routes, speed, and fuel selection.

Optimal Routing Solution Advancement

HD Hyundai Marine Solution supports cost-efficient vessel operations aligned with decarbonization objectives through the optimal routing solution 'OceanWise,' which combines vessel performance expertise with AI and big data analysis technology. OceanWise is a digital optimization platform that contributes to reducing fuel consumption and GHG emissions by comprehensively analyzing real-time meteorological, oceanographic, and vessel operation data to present optimal routes. In 2024, performance validation based on approximately 106,000 km of actual voyage data conducted in collaboration with HD Hyundai Oilbank confirmed an average fuel savings of 5.3%. In particular, a 'twin-vessel comparative validation methodology[1]' was applied to improve the accuracy and objectivity of validation results.

Currently, OceanWise has been deployed on approximately 500 vessels, including those operated by major shipping companies such as SK Shipping and Hyundai Glovis. Through its data-driven capabilities for forecasting fuel consumption and emissions, OceanWise supports compliance with IMO environmental regulations. Going beyond simple monitoring, it provides advanced functions that enable the prediction and optimization of operational outcomes, thereby establishing itself as a digital transformation-based solution that enhances both vessel operational efficiency and environmental performance.


Vessels fitted with OceanWise

Key Achievements	• Verification of fuel-saving technology achieving an average fuel reduction of 5.3% on approximately 106,000 km of real-world operation • Annual fuel cost savings of approximately KRW 350 million based on a vessel consuming 10,000 tons of fuel per year

OceanWise Deployment and Expansion Plans | OceanWise generates high synergies with HD Hyundai Marine Solution's existing businesses through optimal operation functions reflecting port congestion and cargo volume conditions. Linked with the AM business that predicts vessel condition and parts demand, it supports proactive maintenance and advances green retrofit and sales activities through ESD simulation functions. Furthermore, the fuel type recommendation function by fuel type combines with DF engine operation and bunkering strategy to improve fuel cost management efficiency. As such, OceanWise is expanding as a data-based integrated solution, simultaneously driving sustainable vessel operation and strengthening competitiveness in low-carbon maritime solutions.

Now → Future

Retrofit	AM(Aftermarket)	Bunkering
Energy-saving device simulation for optimization	Port delay prediction and vessel performance analysis reflecting port and operational information	Recommendation of dual-fuel types for fuel cost reduction
Green retrofit sales based on vessel functionality	Inventory management based on vessel type and parts sales	Forecasting of required bunker quantities and fuel distribution demand

1) A method of increasing validation reliability by simultaneously departing from a comparison vessel and operating along the same route, then swapping captains for another run

Vessel Engine Optimization

HD Hyundai Marine Solution is strengthening its position in the green vessel retrofit market by expanding the EPLO (Engine Part Load Optimization) business, a green retrofit solution that improves the combustion efficiency of marine engines. EPLO is a technology that contributes to fuel reduction and carbon emissions reduction by improving combustion efficiency by retrofitting major components such as turbochargers according to engine output conditions, suppressing deposit generation, and optimizing fuel injection. It can be applied to vessels already in operation, and when applied, it is expected to reduce carbon emissions by up to 6 g/kWh.

Since introducing EPLO services in 2023 through a partnership with a global turbocharger specialist, HD Hyundai Marine Solution has been rapidly expanding its track record of applications. Starting with orders for 6 vessels in 2024, the Company secured contracts totaling 98 vessels in 2025 with global shipping companies, including those in Europe, establishing a foundation for business expansion. This reflects growing market demand for green retrofit technologies, as well as increasing interest in low-cost, high-efficiency decarbonization solutions utilizing existing vessels.

EPLO is recognized as an efficient energy efficiency improvement technology in terms of investment costs and application period compared to new vessel construction, and is attracting attention as a realistic alternative that can improve the performance of existing vessels to respond to environmental regulations. HD Hyundai Marine Solution plans to continuously expand market presence in the green vessel retrofit market based on the EPLO business.

Neptune car carrier equipped with vessel engine optimization technology

Key Achievements	• Secured EPLO orders for 98 vessels in 2025 • Completed EPLO works for 17 vessels in 2025

Sustainable Solutions and Technologies Development

Sustainable Solutions and Technologies Development Performance

Vessel Life Extension

In the shipping and energy markets, flexibility in natural gas procurement has emerged as a competitive advantage, and accordingly the importance of floating facilities such as FSRUs that can be quickly introduced, moved, and deployed is expanding. In particular, vessel conversion is increasingly recognized as a sustainable solution in that it can extend asset life and optimize lifecycle value by approximately 10–20 years compared to scrapping, reducing resource and energy input and minimizing waste generation compared to new construction.

Secured the first FSRU order | HD Hyundai Marine Solution is pursuing its first order for a project to convert an LNG carrier into an FSRU (Floating Storage and Regasification Unit), fully expanding into high-value-added business domains based on vessel life extension. The FSRU conversion business can create value of approximately USD 100–130 million per vessel and requires advanced green conversion capabilities beyond simple maintenance. FSRU can typically be constructed within approximately 24 months, with shorter introduction periods and lower initial investment costs compared to onshore LNG storage and regasification facilities that take 4–7 years, offering excellent economic viability. Additionally, if port infrastructure is available, it can be operational within a few months, being utilized as a strategic alternative in countries where energy supply stability is important.

With expectations for global gas price stabilization due to expanded US LNG exports, FSRU demand is expanding centered on emerging countries such as Brazil, Indonesia, and Bangladesh, and Europe is also accelerating FSRU adoption for energy supply chain diversification. In addition, given volatility in the LNG shipping market and increasing aged vessels over 20 years old, shipowners are facing a choice between scrapping or conversion. Conversion is increasingly viewed as a realistic alternative for extending revenue generation periods by repurposing existing assets. The Company is securing FSRU conversion demand in response to these market changes, simultaneously achieving vessel economic life extension and resource efficiency enhancement.

A 170,000 m^3-class vessel delivered in 2020 and converted into an LNG-FSRU

Key Achievements	• Secured the first FSRU order in 2025

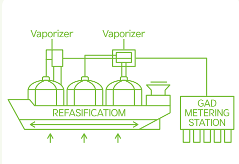
Secured an order for an FSU conversion | HD Hyundai Marine Solution is contributing to the transition of marine energy infrastructure by performing a project to convert aged LNG carriers into FSUs (Floating Storage Units). The project is being executed in a turnkey manner covering the entire process including design, equipment procurement, installation, and commissioning, strengthening customized design optimized for hull type and high-difficulty conversion technical capabilities. In particular, by completing conversion work on Norwegian shipowner Knutsen's LNG carrier 'Bilbao Knutsen,' the Company secured Korea's first LNG-FSU conversion case. The vessel, an LNG carrier of 138,000 m^3 class built in 2004, had declined operational efficiency due to increased fuel consumption and GHG emissions, but through this conversion became capable of approximately 20 years or more of additional operation.

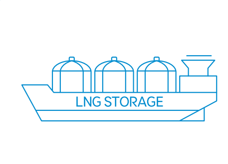
The converted FSU is expected to be deployed at a port in Central America to serve as an offshore terminal storing and supplying LNG, contributing to securing energy supply stability in that region. Furthermore, by repurposing the existing vessel, it reduces the environmental burden from the vessel scrapping process, and enables flexible offshore infrastructure construction—this is recognized as a case securing both economic viability and environmental performance. The Company is securing additional FSU conversion orders and expanding its market position in the green vessel conversion and marine energy infrastructure markets.

Bilbao Knutsen after conversion into an LNG FSU

Key Achievements	• Secured an order for one FSU in 2025

FSRU and FSU | Both FSU and FSRU are floating facilities that store LNG at sea, but the FSRU also has the capability to vaporize stored LNG and supply it directly onshore. FSU is advantageous for expanding storage capacity in areas with existing infrastructure, while FSRU is suitable for areas with insufficient infrastructure or for urgent energy demand response.





Category	FSRU	FSU
	A floating LNG storage, regasification, and supply facility designed to respond quickly to gas demand	A floating LNG storage and supply facility for building multipurpose LNG infrastructure
Function	LNG storage, regasification, and supply	LNG storage and supply in liquid form
Purpose	Enables gas supply without the need for new construction or expansion of onshore LNG import terminals	Secures storage capacity near onshore regasification facilities and power plants
Application	Enabling early entry into new and small-scale LNG markets while responding to demand fluctuations	Addressing long-term, large-scale LNG storage demand while complementing offshore LNG infrastructure

Sustainable Solutions and Technologies Development

Sustainable Solutions and Technologies Development Metrics and Targets

R&D Investment Status

HD Hyundai Marine Solution operates green retrofit and dual-fuel engine conversion and deployment businesses as core growth engines, and continuously considers environmental factors during the investment process to respond to mandatory Net Zero and tightening global environmental regulations.

R&D Costs

Category	2023	2024	2025
R&D Costs / Revenue Ratio	0.32%	0.34%	0.38%

Green Technology Development and Facility Investment

Renewable Energy	• Control logic advancement for Hi-Rotor offshore demonstrations • Control logic development for wing sails • Demonstration and class certification of the transformable wing sail
Energy Reduction	• Power system development for mid-sized vessels with LVAC electric propulsion system packages / Performance analysis
Greenhouse Gas Reduction	• Development and validation of Inline S/G package standardization • Technical support for retrofit of reliquefaction systems on five CoolCo 160K LNG carriers • Technology development for integrated GHG emissions management for vessels
Facility Investment	• Built a demo kit for the development and validation of a Shaft Generator controller

Green Technology Patents

HD Hyundai Marine Solution is conducting research for green solution and technology development to expand global business and secure future growth drivers. In collaboration with HD Korea Shipbuilding & Offshore Engineering's Future Technology Research Institute, the Company has filed numerous green patents based on criteria of utilizing alternative fuels beyond diesel (LNG, LPG, ammonia, batteries, etc.) and increasing fuel/engine energy efficiency.

Green Patents and Registrations

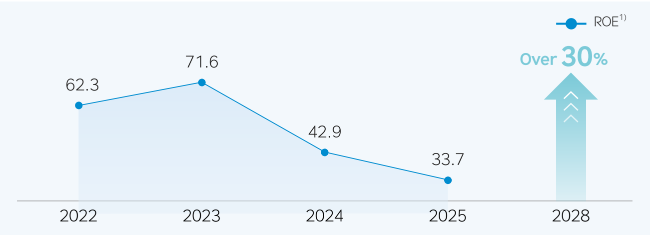
Category	HD Hyundai Marine Solution	Joint Patent[1]
Applications	2 cases	10 cases
Registrations	0 cases	0 cases

1) Joint application : HD Hyundai Marine Solution (50%), HD Korea Shipbuilding & Offshore Engineering (50%)

Sustainable Business Profitability Targets

HD Hyundai Marine Solution has set the sustainable growth of green and digital-based businesses as its strategic core direction. To this end, the Company is strengthening its main aftermarket business and developing new low-carbon technology-based business opportunities, targeting ROE of 30% or more by 2028. In particular, the expansion of DF (Dual-Fuel) engine proliferation—which is high value-added compared to conventional engines—and increasing green engine inflows are expected to lead to increased maintenance demand and unit price increases. Accordingly, HD Hyundai Marine Solution has set EBIT margin of 20% by 2028 as its mid- to long-term management target. In addition to these financial targets, HD Hyundai Marine Solution plans to meet the expectations of customers and the market through strengthening sustainable technology competitiveness and transitioning to a sustainable business structure, supporting the long-term sustainability of the shipbuilding and maritime industry.

Mid-term ROE Targets



1) ROE (Return on Equity): A financial ratio that indicates how much net income a company generates using its shareholders' equity

ESG Through the Eyes of Our Employees

Q. What is the biggest change you've felt during the recent expansion of the green vessel market?

A. Along with tightening IMO regulations, EU environmental rules have made carbon-emission-reduction solutions an imperative. Amid a shortage of newbuilding slots at shipyards, retrofitting vessels in service has emerged as a realistic and efficient alternative. Worldwide, the market for LNG supply stability and fuel-efficiency improvement of existing vessels continues to expand.

Q. What do customers consider most important in sustainable solutions?

A. Beyond regulatory compliance, demand is growing for solutions that simultaneously achieve reduced operating costs and tangible fuel-efficiency gains. We are reviewing optimal retrofit solutions applicable to existing vessels in detail, and customers place great importance on solutions with a clearly verified return on investment.

Q. What are the key factors behind HD Hyundai Marine Solution's competitive edge in green vessel retrofitting?

A. We have built a differentiated competitive edge based on retrofit experience accumulated across various vessel types, together with strong design and execution capabilities. In large-scale retrofit projects such as FSRU and FSU conversions, we integrate information from diverse equipment suppliers into the design and systematically manage construction progress—leading the projects ourselves, which is a key source of our competitive advantage.

Q. Which technologies and capabilities are becoming more important as sustainable solutions expand?

A. Retrofit engineering capability for existing vessels is becoming increasingly important. In particular, integrated design capability that considers both vessel structure and operating conditions—such as LNG carrier conversions and emission reduction based on engine-efficiency optimization—is the core. Standardized technical capability that can be applied by vessel type and specification is also essential. Going forward, HD Hyundai Marine Solution plans to continue expanding its green retrofit technology portfolio and strengthen its response to alternative-fuel conversion (e.g., methanol, hydrogen). We aim to secure solutions spanning from emission reduction to alternative-fuel conversion, and to build out our own portfolio applicable across the global market.

Interview with Choi Jin-hyuk, Senior Manager, Green Solution Sales Dep't

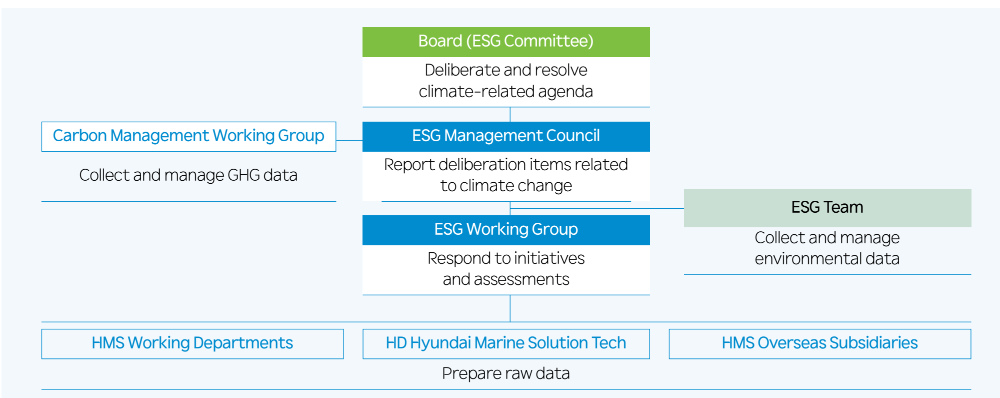
Climate Change Response

Climate Change Response Governance

Decision-Making Structure for Climate Change Response

HD Hyundai Marine Solution reviews the direction and strategy for its climate transition and decarbonization initiatives through the ESG Committee under the Board of Directors, the Company's highest decision-making body, as part of its response to climate change. In 2024, the Company developed an enhanced assessment methodology to identify key material issues and reported domestic and international investors' sustainability-related requirements to the ESG Committee. This assessment methodology was maintained and applied in the same manner in 2025. In 2025, the Company also expanded the scope of its greenhouse gas emissions management by calculating emissions across eight Scope 3 categories. Overall ESG issues at the Company are managed by a dedicated ESG organization within the Corporate Planning Department, which is responsible for operating the ESG implementation framework, including climate change response, as well as establishing the carbon neutrality roadmap and identifying and executing strategic initiatives.

Climate Change Response Organizations



Climate Change Response Roles by Organization

Category	Composition	Roles	Schedule
ESG Committee	CEO and relevant independent directors	• Deliberate and resolve climate change-related agenda	Annual and as needed
ESG Management Council	Division heads, and responsible executives	• Report deliberation items related to climate change	Annual and as needed
ESG Working Group	Company-wide EA (ESG Ambassadors)	• Join climate change and carbon neutrality initiatives • Respond to ESG assessments	As needed

ESG Committee

HD Hyundai Marine Solution established the ESG Committee under the Board of Directors in November 2023 and has been operating it in full scale to effectively deliberate and manage strategic tasks related to sustainability including climate change and decarbonization. The ESG Committee, composed of 4 independent directors and 1 executive director—a total of 5 members with independence and expertise—functions as the highest decision-making body that deliberates and resolves major matters including ESG strategic direction, execution plans, and implementation monitoring related to climate change response. In 2025, as part of the evaluation response strategy, results of TCFD-based climate change-related risk and opportunity identification and expected financial impact analysis to be disclosed in the Sustainability Report were submitted as agenda items to the ESG Committee for deliberation and approval, and the content was publicly disclosed through the report.

Board and ESG Committee Activities

Date	Agenda	Approval Status	Climate-related Risk/Opportunity Considerations
2025.04.24	• 2024 Sustainability Management Report publication plan • Derivation of key areas based on the materiality assessment results • 2025 key tasks (proposed) • 2025 ESG KPI and target-setting status	Approved	Climate change risk analysis and financial impact assessment
	• Global disclosure and legal/regulatory trends	Reported	
2025.07.24	• Approval of the publication of the 2024 Sustainability Management Report	Approved	
	• ESG assessment response roadmap	Reported	Advancement of the carbon neutrality strategy plan

ESG Performance Evaluation

HD Hyundai Marine Solution has introduced and operates an ESG Key Performance Indicator (KPI) system to systematically manage and continuously improve climate change-related performance. Major strategic indicators include energy efficiency task discovery and related facility investment, and achievement of renewable energy introduction targets. In particular, the GHG reduction indicator accounts for 75% of ESG KPIs, and the Company is actively promoting GHG reduction activities through the KPI-based performance management system.

ESG KPIs linked to C-level performance

Year	Category	KPI	Detailed target	Incentive
2025	CEO / Division Head	• GHG emissions absolute/ intensity reduction	• Achieved FY25 GHG emissions of 967 tons • 7% YoY intensity reduction[1]	Financial compensation (factored into bonus calculations)

1) Emission reduction results are calculated based on internal activities and are managed separately from reductions through external offset activities

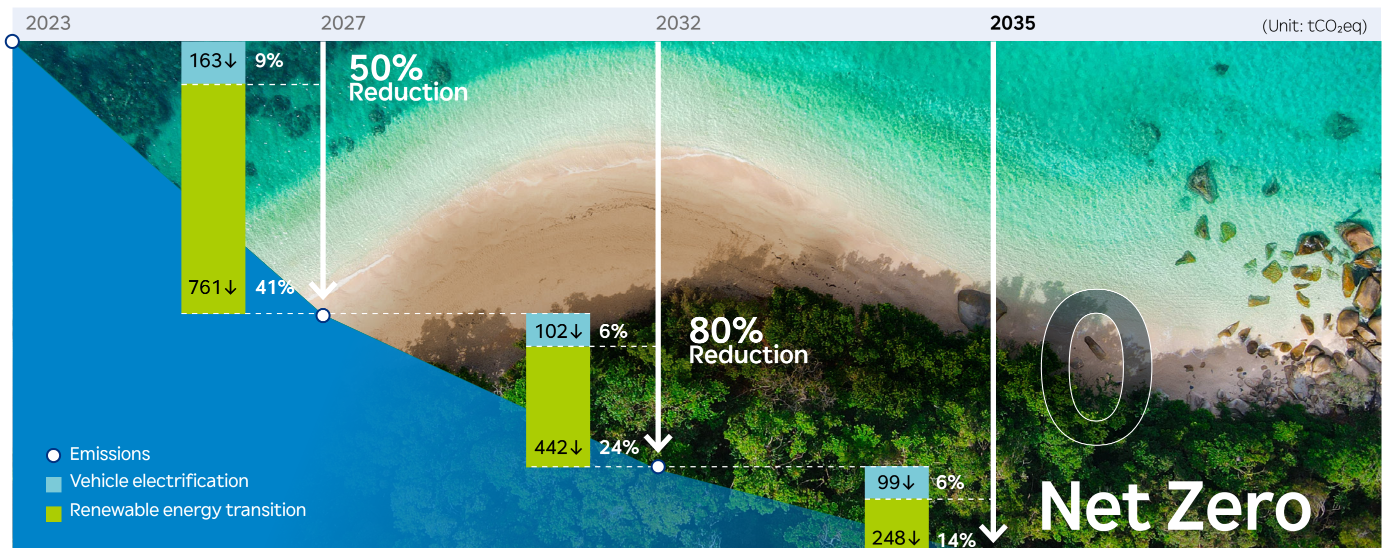
Climate Change Response

Climate Change Response Strategy

Establishment of a Carbon Neutrality Roadmap

HD Hyundai Marine Solution is expanding its vessel repair and conversion business portfolio to respond to global regulations on vessel GHG reduction and meet growing green vessel demand from shipowners and shipping companies seeking to comply with environmental regulations. As GHG emissions are expected to increase due to the expansion of this business portfolio and new business site establishment plans, the Company revised the carbon neutrality roadmap developed in 2023 and has established a climate transition and carbon neutrality implementation framework with energy efficiency, fuel conversion, electric vehicle transition, and renewable energy introduction as major strategies.

Carbon Neutrality Roadmap



2025 Climate Change Response Activities

In accordance with the 2035 carbon neutrality roadmap, HD Hyundai Marine Solution is prioritizing energy efficiency and GHG emissions reduction activities and strengthening its low-carbon transition foundation through expanded use of renewable energy sources. The Company purchased 78 RECs (111 MWh) linked to Bukpyeong Solar Power Plant No. 2 in Donghae City, Gangwon Province, contributing to the expansion of the domestic renewable energy market. Through this, the Company is continuing implementation efforts to reduce dependence on fossil fuel-based electricity and expand clean energy use. In addition, separately from its own reduction activities, the Company purchased and retired 460 voluntary credits from STAR's TECH KCS project (KCS-M-23-019) to support the domestic climate tech ecosystem and marine environmental conservation. This activity is transparently managed and disclosed as beyond value chain mitigation (BVCM), separate from the Company's emissions reduction performance.

GHG Emissions Performance Management

HD Hyundai Marine Solution has established and operates a GHG inventory to systematically manage business site GHG emissions and energy consumption. To efficiently implement carbon neutrality, the Company sets management priorities based on data importance and urgency and plans to implement a 3-phase data management roadmap by establishing an ESG data management platform.

Scope 1 and 2 Reduction and Management Measures

HD Hyundai Marine Solution aims to achieve zero Scope 1 and 2 emissions by 2035 by reducing greenhouse gas emissions generated from mobile and stationary combustion through the electrification of vehicles and facilities, and by utilizing electricity from renewable energy sources to replace those emissions sources.

In addition, the Company is establishing a mid- to long-term reduction plan based on various abatement scenarios in order to systematically manage greenhouse gas emissions associated with electricity use under Scope 2.

The Company uses renewable energy generated by the solar power facilities installed at its headquarters (GRC), thereby contributing to the reduction of greenhouse gas emissions from electricity consumption. Furthermore, to expand the adoption of renewable energy, the Company is comprehensively reviewing factors such as procurement stability, procedural feasibility, and the conditions for application at overseas operations. Based on the results of this review, HD Hyundai Marine Solution plans to gradually implement efficient measures to increase the use of renewable energy.

Direct and Indirect GHG Emissions Reduction Strategies

Management Area	Detailed Measures
Vehicle Operation	Phased transition to electric vehicles considering vehicle operating conditions
Energy Management	Reducing on-site energy consumption and improving operational efficiency
Use of Renewable Energy	Operating self-owned solar power and procuring renewable energy-based power (including REC)

Climate Change Response

Climate Change Response Strategy

Scope 3 Reduction and Management Details

HD Hyundai Marine Solution calculated Scope 3 GHG emissions based on 2025 business activities to more systematically understand the GHG emissions impact across its business value chain. As a result, it was confirmed that more than 82.5% of total Scope 3 emissions are attributable to upstream Purchased Goods and Services. Accordingly, the Company has formulated a 3-stage reduction roadmap for Scope 3 emission reduction and has established staged management and advancement strategies by classifying suppliers into tiers based on materiality assessment results within the supply chain. Going forward, the Company plans to gradually expand the management scope for emission sources by building a calculation system covering all Scope 3 categories.

Scope 3 Calculation Advancement Roadmap

Advancement Phase	Step 1. Analysis of supply chain data management	Step 2. Advancement of supply chain data management	Step 3. Integration of the Scope 3 calculation and management system
Launching Technology Development	Identifying supply chain management trends	Supply chain analysis and advancement plans	Advancement of supply chain management systems
	• Identify organizational boundaries by business • Establish plans to systematize supply chain structures by organization • Verify upstream and downstream supply chains	• Assess materiality based on GHG emissions and business importance • Classify supply chains into tiers based on materiality • Develop tier-specific advancement plans	• Establish a Scope 3 emissions management system • Conduct ongoing audits and on-site inspections
Calculation Scope	Limited calculation scope	Expansion of the calculation Scope	Continuous updates
	• Define primary calculation categories (Cat. 1, 2, 4, 6) within available data	• Expand the managed data scope • Calculate across all categories (Cat 1-15)	• Continuously monitor and reflect changes in suppliers and emission sources
Calculation Method	Use of secondary data	Reliable Calculation Method	Use of site-specific emission Factors
	• Indirectly calculate based on secondary emission factors • Use preliminary approaches such as spending-based or average-value methods	• Switch to primary data-based methods • Adopt hybrid models or supplier-specific methods	• Apply site-specific emission factors for suppliers with high materiality scores

Internal Carbon Pricing System

HD Hyundai Marine Solution has introduced an internal carbon pricing system and intends to reflect it in the strategic decision-making process for mid-to-long-term business promotion and investment, thereby establishing a foundation for proactively responding to climate change risks. In particular, by considering carbon emission costs in financial decision-making such as product development and facility investment, the Company aims to guide environmentally superior businesses and promote GHG emissions reduction. The internal carbon pricing system also encourages prioritized consideration of investment in energy-efficient facilities and operation methods, simultaneously promoting company-wide energy efficiency improvement and operating cost reduction effects. Furthermore, by strengthening the investment validity for low-carbon technologies and green facilities to promote increased low-carbon investment, it serves as a foundation for mitigating financial risks from long-term carbon regulation tightening. Moreover, the decision-making system utilizing internal carbon pricing contributes to systematically identifying and securing opportunities linked to low-carbon transition in new business and product development processes, playing an important role in identifying potential business opportunities in response to green market changes. The Company determined that using the Shadow Price method—applying a 'virtual carbon cost' in the investment decision-making process—is most appropriate, which has the advantage of providing flexibility in implementation and subsequent adjustment since no actual accounting costs are incurred.

Plan for Introducing an Internal Carbon Pricing System

1 Pilot application in 2025	2 Advancement in 2026	3 Expansion to HD Hyundai Group Affiliates in 2027
• Adopt shadow prices • Use ESG assessments and climate disclosures	• Establish operational procedures and governance	• Build group-wide standard system • Make disclosure mandatory

Internal Carbon Pricing Application Criteria

Category	Details
Purpose	• Expand low-carbon investments, promote energy efficiency, and encourage behavioral change within the organization
Pricing type	• Shadow price
GHG scope	• Scope 1, 2
Application scope	• Company-wide
Price per tCO_2eq	• Short- to mid-term: KRW 34,892/tCO_2eq • Long term: KRW 118,553/tCO_2eq
Pricing method	• Developed an in-house scenario based on IEA scenarios, reflecting major countries' NDC achievement scenarios and price in K-ETS • Validated through consultations with experts from industry, academia, and research institutions

Climate Change Response

Climate Change Risks & Opportunities

Climate Change Risk and Opportunity Identification

HD Hyundai Marine Solution conducts materiality assessments through its climate change management process based on its climate change response organization, derives climate change risks and opportunities, and effectively responds to them. The Company's climate change management process involves analyzing the potential and financial impacts of each identified climate-related risk and opportunity through stages including risk and opportunity identification and the review of risk management measures, and managing them systematically.

Climate Change Risk and Opportunity Analysis

To proactively respond to climate change, HD Hyundai Marine Solution analyzes business impacts and identifies and evaluates climate change risks and opportunities based on the TCFD framework. When analyzing risks and opportunities, the Company comprehensively reviewed operational and business perspectives considering the specifics of the regions where business sites are located and market conditions of major sales markets.

STEP 1

Identification of Climate Change Risks and Opportunities

- Derived a pool of climate change risks and opportunities based on key internal and external factors
- Derived a pool of risks and opportunities for benchmarking target companies in the same industry

Transition Risks 11 | Transition Opportunities 5 | Physical Risks 8

STEP 2

Selection of Risks and Opportunities

- Integration and organization of the risk and opportunity pool
- Selection of risks and opportunities through a materiality assessment based on the disclosure status of the Company and benchmarked companies
- Selection of items for analysis using the physical risk tool (Jupiter Intelligence)

Transition Risks 3 | Transition Opportunities 2 | Physical Risks 2

STEP 3

Determination of Financial Impact Assessment Targets

- Determination of financial impact assessment targets through interviews with relevant departments
- Request for analysis using the physical risk tool and review of the results

Transition Risks 1 | Physical Risks 1

Climate Change Risks and Opportunities

Category	Type	Climate Change Factor	Risk/Opportunity	Timeframe	Impact Category	Financial Impact on the Business	Response Strategies
Physical risk	Acute	Extreme weather events	• Increase in natural disasters such as typhoons and floods	Mid- to long-term	Direct operations	• Higher restoration and replacement costs due to asset damage at sites • Business losses from operational shutdowns or delays	• Manage climate change response processes • Establish typhoon and heavy rain response manuals
	Chronic	Long-term changes in climate patterns	• Rising average temperatures	Long-term	Direct operations	• Increased energy costs from higher cooling demand	• Develop strategies to use low-emission energy sources
Transition risk	Policy and regulation	Strengthened global carbon regulations	• Introduction of carbon taxes/border carbon taxes such as Carbon Border Adjustment Mechanism (CBAM)	Mid- to long-term	Upstream, Direct operations	• Higher operating costs from purchasing CBAM certificates due to stricter carbon regulations • Increased costs for collecting and managing supply chain carbon emissions data	• Establish and implement a Scope 1 & 2 emissions reduction roadmap for worksites • Support supply chain GHG emissions management
			• Requirements to set and achieve carbon neutrality targets due to tighter GHG emissions regulations	Mid- to long-term	Direct operations	• Increased implementation costs for energy transition and other actions to meet carbon neutrality goals	
	Market	Strengthened supply chain sustainability management	• Adoption of supply chain management regulations and changing stakeholder requirements	Mid- to long-term	Upstream	• Increased costs for building and operating supply chain ESG (environmental management) systems and providing related support	• Support supply chain ESG evaluations and improvements
Opportunity	Products and services	Strengthened vessel environmental regulations (IMO, etc.)	• Growing demand for green retrofits driven by stricter vessel decarbonization regulations • Expansion of revenue opportunities through business portfolio diversification	Mid- to long-term	Downstream	• New revenue streams from increased sales of green solutions and expansion into new businesses	• R&D for green solutions and technology development

Climate Change Response

Climate Change Financial Impacts

HD Hyundai Marine Solution conducted scenario analysis to understand the financial impacts of tightening global carbon regulations and physical risks such as typhoons and floods. For transition risk and opportunity analysis, IEA (International Energy Agency) scenarios projecting GHG emissions credit prices through 2050 were used, and for physical risk analysis, SSP (Shared Socioeconomic Pathways) scenarios were used.

Scenario Selection and Assumptions

	Transition Risks and Opportunities	Physical risk
Scenario	IEA (International Energy Agency)'s NZE, APS, and STEPS scenarios	IPCC (Intergovernmental Panel on Climate Change)'s SSP scenario
Scenario Concept	• NZE (Net Zero Emissions by 2050): Reduce global carbon emissions to "net zero" by 2050 • APS (Announced Pledges Scenario): Assume that each country implements its officially announced carbon neutrality targets and policy commitments • STEPS (Stated Policies Scenario): A conservative baseline scenario reflecting currently implemented or confirmed policies	• SSP1-2.6: Expand a low carbon society through a sustainable pathway, sustainable technologies, and international cooperation • SSP 2-4.5: Maintain a moderate level of climate response capacity to sustain existing policies and social structures • SSP 5-8.5: Prioritize economic growth through fossil fuel-based high growth, maintaining high energy demand
Scenario Assumptions or Outcomes	• Projected increase in emissions for EU-imported goods	• Increased frequency of typhoons and rise in global average temperature

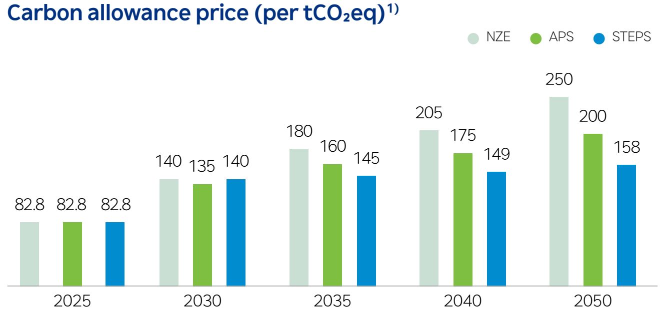
Scenario Analysis Parameters

Input Variables and Parameters	Business Scope	Data Source
GHG Emission Factors	Parent company	• Guidelines for Reporting and Certification of the Korean ETS issued by the Ministry of Environment, IEA (International Energy Agency), etc.
GHG Emissions	Parent company	• Specifications in accordance with the Guidelines for Reporting and Certification of the Korean ETS issued by the Ministry of Environment
Exchange Rate	-	• Seoul Money Brokerage Services, Ltd.
Carbon Allowance Price	Parent company	• IEA (International Energy Agency)

Financial Impact Analysis of Transition Risks

Factor Name	Strengthened global carbon regulations
Background	The international community adopted the Paris Agreement to limit the rise in the global average temperature to within 1.5°C, and each country has established Nationally Determined Contributions (NDCs) to review implementation progress. In particular, the EU is tightening regulations by gradually increasing the auctioning rate of the EU Emissions Trading System (EUETS) and expanding its coverage to include maritime transport, accelerating the enforcement of global carbon regulations.
Issue Name	Increased costs associated with CBAM and Carbon Taxes
Qualitative Assessment of Financial Impact	Costs incurred from purchasing emissions allowances
Calculation Method	Carbon emissions from imported goods × price in EU ETS (per ton)

Carbon allowance price (per tCO_2eq)[1)]



1) The 2025 credit price is EU-ETS 2025 annual average (EUR 73.43) with annual average exchange rate (1 USD = 0.886 EUR) applied. 2030–2050 credit prices reflect IEA NZE, APS, STEPS scenario projected price forecasts.

Physical Risk Financial Impact Analysis

Factor Name	Extreme weather events
Background	Due to climate change, the average temperature in Korea continues to rise, increasing the frequency and intensity of extreme weather events. According to the Korea Meteorological Administration's regional climate change scenario, under the SSP5-8.5 (high-carbon scenario), the national average temperature is projected to rise from 13.7°C in 2025 to 14.2°C in 2050.
Issue Name	Increase in natural disasters such as typhoons and floods
Qualitative Assessment of Financial Impact	• Asset damage at sites caused by typhoons and floods • Increased costs for restoring damaged assets at sites • Potential disruptions to business continuity
Calculation Method	Asset value × Asset damage rate

Risks by site

Category	Pluvial Flood	Fluvial Flood
Gyeonggi-do	Medium	Very Low
Busan	Medium	Very Low
Gyeongnam (Ulsan)	High	Low
The United States (Texas)	High	High
Dubai	Low	Low
Singapore	High	Low
The Netherlands (Rotterdam)	High	High

Climate Change Response

Climate Change Risk Management

HD Hyundai Marine Solution is strengthening corporate strategy resilience by strategically addressing transition and physical risks from climate change in its business portfolio and operational strategies. In the short to mid-term, in response to IMO environmental regulation tightening and increasing demand for green vessels, the Company is advancing existing business competitiveness centered on energy efficiency improvement solutions and digital-based operation optimization services, securing a stable revenue base. Simultaneously, the Company is mitigating transition risks by developing low-carbon fuel application technologies and GHG reduction solutions, and minimizing physical risks through response frameworks and on-site safety management measures against work delays and operational disruptions from natural disasters. In the long term, the Company plans to maintain business sustainability by securing technology and service capabilities to respond to hydrogen, ammonia, and other decarbonization fuel transitions, transforming them into new growth opportunities.

Risk and Opportunity Response

CATEGORY			Current Efforts (FY)	Expected Efforts (FY+1–2050)
Physical Risks	Acute	Occurrence of abnormal weather events	• Establish response manuals for natural disaster risk situations • Develop and apply measures to prevent recurrence	• Enhancement of abnormal weather response manuals and emergency response systems
Physical Risks	Chronic	Long-term changes in climate patterns	• Establish a renewable energy usage strategy to increase the average temperature rise threshold	• Analysis of the impacts of rising sea temperatures and changes in the marine environment • Establishment of operational strategies based on long-term climate scenarios
Transition Risks	Policy and Regulation	Strengthening of global carbon regulations	• Analysis of emission allowance purchase costs and financial risks in response to the Korean ETS • Establishment and implementation of a Scope 1 and 2 emissions reduction roadmap • Development of technologies that enhance energy efficiency through vessel life extension and support adoption of low-carbon fuels	• Promotion of energy efficiency and fuel conversion for direct operations • Advancement of a low-carbon transition strategy through integrated review of investment plans and renewable energy adoption • Enhancement of the internal carbon pricing system
Transition Risks	Market	Strengthened supply chain sustainability management	• Supply chain ESG assessment • Providing consulting support for suppliers to establish compliance with supply chain ESG regulations and related management frameworks	• Expansion of supplier capability-building programs for low-carbon supply chain transition
Opportunities	Products and Services	Strengthening of IMO and other vessel-related environmental regulations	• Promotion of R&D for sustainable technologies and products • Development of integrated management technologies for GHG emissions from vessels • Advancement of digital-based fuel-efficiency optimization solutions	• Securing technologies to respond to decarbonized fuels (ammonia, hydrogen, biofuels, etc.) • Expanding our portfolio of sustainable services and technologies

Climate-related Risk and Opportunity Management

HD Hyundai Marine Solution is making efforts to continuously identify and manage potential risks and opportunities to strengthen company-wide response capabilities for climate change-related issues. The Company reviews climate change-related issues that may arise within the organization, and considering potential impacts on the Company's strategic direction and financial aspects, establishes response directions. Through this process, the Company is continuously enhancing its climate-related risk and opportunity management framework.

Stage	Description
Identification	At the identification stage, we identify climate change–related factors and opportunities that may affect HD Hyundai Marine Solution through organizational discussions.
Assessment and Reporting	At the assessment stage, internal and external experts identify and analyze climate-related risks and opportunities that may affect HD Hyundai Marine Solution. Based on this review process, each item is assessed in terms of its financial impact and likelihood of occurrence. Matters deemed significant are reported to the CEO or communicated to the Board of Directors for discussion and decision-making as needed.
Management	HD Hyundai Marine Solution systematically manages climate change across various areas through ESG committees under its ESG governance and company-wide cooperation organizations.

Risk Assessment Process

01 Identification of climate change–related issues by organization

02 Identification of company-wide climate change–related issues

03 Identification and impact assessment of risks and opportunities

04 Review of priorities and establishment of response strategies

05 Implementation of response strategies

06 Monitoring and diagnosis

Climate Change Response

Climate Change Response Metrics and Targets

Climate-related Indicators

Approach to Emissions Measurement | HD Hyundai Marine Solution applies the Operational Control approach among Control Approaches for calculating GHG emissions and complies with major domestic and international guidelines and standards in the GHG emissions measurement and calculation process. The Greenhouse Gas Protocol is applied for Scope 1 and 2 emission calculation, along with references to the 'Guidelines on Reporting and Certification of Emissions under the Greenhouse Gas Emissions Trading Scheme' under the 'Carbon Neutrality Basic Act,' 'IPCC Guidelines for National Greenhouse Gas Inventories,' and GHG calculation and reporting-related Accounting Tools. GHG emissions calculation standards required by regulatory authorities and listing exchanges are also reflected in management. For Scope 3 emission calculation, the 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)' is applied to calculate and manage GHG emissions across the Company's value chain.

Climate-related Targets

Target Review Process | The Board of Directors reviews and approves agenda items essential to business strategy promotion and management activities, including mid- to long-term climate and environmental strategy formulation, including carbon neutrality initiatives, and environmental investment.

Target-related Information | The scope of GHG emissions for HD Hyundai Marine Solution's climate-related targets is Scope 1 and 2, based on total emissions.

Target Monitoring Indicators

Category	Unit	2022	2023	2024	2025
Scope 1 GHG Emissions	tCO_2eq	201.94	171.03	209.84	234.93
Scope 2 GHG Emissions (Location-Based)	tCO_2eq	753.38	1,116.30	1,225.12	1,198.70
Renewable Energy Usage Rate	%	-	1.29	1.18	1.09

Analysis of Performance Against Targets

HD Hyundai Marine Solution has set a long-term target of achieving zero Scope 1 and 2 emissions by 2035. The 2025 target for Scope 1 and 2 emissions was 1,450 tCO_2eq, while actual emissions were aggregated at 1,433.63 tCO_2eq.

(Unit: tCO_2eq)

Environmental Management

Environmental Management Governance

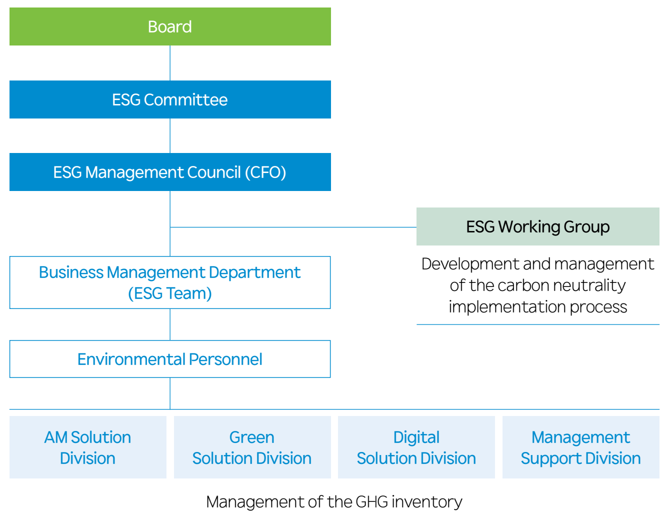
Environmental Management Decision-making System

HD Hyundai Marine Solution operates the ESG Committee as the highest responsible body overseeing major decision-making related to environmental management. The ESG Committee deliberates on environmental management strategy formulation and major task promotion directions and regularly reviews and receives reports on major environmental issues and implementation status. Overall environmental management operations are overseen by the ESG Chief Officer (CFO) and ESG Management Council Chairman as Chief Environmental Officers, with the ESG Division managing day-to-day operations. The ESG Division is responsible for implementing environmental management strategies including carbon neutrality, formulating implementation plans for major environmental issues such as waste, water, and biodiversity, conducting employee training, and systematically managing environmental management target implementation status. In particular, the environmental officer within the ESG Division plays a key role in managing the organization's environmental performance. The officer is responsible for collecting, verifying, and managing data required for GHG emissions calculation, calculating costs from carbon neutrality implementation and managing related accounts, and ensuring accuracy and consistency of environmental data, supporting the effective operation of the Company's environmental performance management system.

ESG Committee Activity Details | The Company reviews major environmental issues twice annually through the ESG Committee and reflects environmental performance in the KPIs of the CEO and major executives. Through this process, the Company assesses progress toward its environmental management goals and continuously strengthens the effectiveness of its environmental management practices by linking the results to its compensation system.

Meeting Date	Agenda	Approval Status
2025.04.24	• 2024 Sustainability Management Report publication plan • Materiality assessment results and identification of key topics • 2025 assessment response strategy (draft) • 2025 ESG KPI and target-setting status	Approved
	• Global disclosures / global regulatory trends	Reported
2025.07.24	• Approval of the publication of the 2024 Sustainability Management Report	Approved
	• ESG assessment response roadmap	Reported

Environmental Management Structure



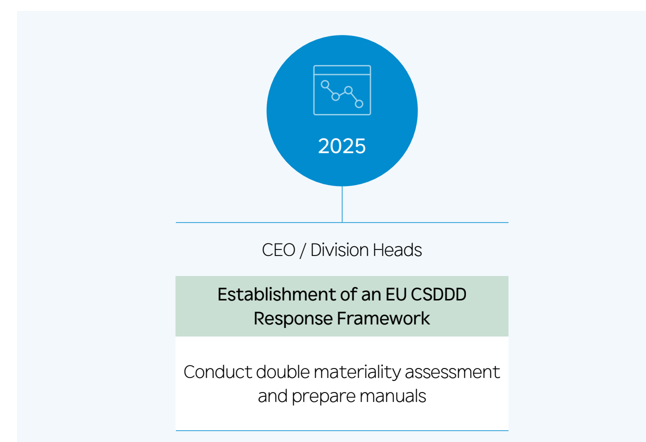
Key Roles and Responsibilities of Environmental Management Governance

Governance	Description	Composition
ESG Committee	• Deliberation and resolution on ESG promotion strategies and plans • Management and monitoring of key ESG risks and opportunities	CEO and relevant directors
ESG Management Council	• Review of implementation status of ESG strategies and achievement of targets • Coordination of interdepartmental collaboration (resource allocation, priorities)	Division heads and responsible executives
ESG Working Group	• Identification and execution of site-centered ESG tasks • Support for the implementation of various ESG projects	Company-wide EAs (ESG Ambassadors)

Environmental Management Performance-linked Compensation System

HD Hyundai Marine Solution operates a system that sets environment-related Key Performance Indicators (KPIs) for the CEO and major executives and links achievement levels to incentives to strengthen environmental management execution capabilities. Environmental KPIs include the establishment of a governance framework for compliance with the EU Corporate Sustainability Due Diligence Directive (CSDDD), with major targets including the establishment of a management framework aligned with the European Sustainability Reporting Standards (ESRS), the conduct of a double materiality assessment, and the development of related methodologies and manuals. Based on these targets, the Company systematically promotes environmental management tasks, and in 2025 set the proportion of EU CSDDD response system construction-related KPIs at 25% and GHG emissions reduction-related KPIs at 75% of total ESG performance indicators, strengthening the importance of environmental management performance management.

C-Level Performance-linked ESG KPIs



Environmental Management

Environmental Management Strategy

Environmental & Energy Management Policy
Environmental & Energy Management Declaration

Environmental & Energy Management Policy

HD Hyundai Marine Solution supports international environmental declarations and related standards and specifications and builds an environmental and energy management system to minimize environmental impacts from the operations of all business sites. The Company regards creating social value through environmental and energy management as an important management direction and systematically operates and manages all related processes including environmental performance management. To clearly define management responsibilities for environmental management, the Company manages environmental management strategies and major tasks centered on the ESG Committee, the highest decision-making body, and thoroughly ensures compliance with relevant environmental laws and regulations. The Company also promotes regular inspections and improvement activities for continuous enhancement of environmental management levels.

Additionally, the Company sets specific targets to reduce environmental impacts from business operations and systematically manages them and promotes various communication and participation activities to raise environmental awareness among internal and external stakeholders. The Company also provides environmental training so that employees can recognize the environmental impact of their work activities and practice responsible behavior, strengthening organization-wide environmental management capabilities.

Environmental & Energy Management Principles

Environmental & Energy Management Principles

HD Hyundai Marine Solution has established environmental management as a core value in order to lead the low-carbon sustainable growth of the shipbuilding-related industry through the development of green technologies and innovation. To meet domestic and international environmental requirements and fulfill its social responsibilities, the Company has established an Environmental and Energy Management Policy and is promoting systematic environmental management based on this policy. In addition, all executives and employees, including the CEO, comply with relevant laws and regulations and are strengthening sustainable management through an environmental management system based on ISO 14001 and ISO 50001, while implementing the action items set forth in the Environmental and Energy Management Policy. Going forward, the Company plans to further strengthen its environmental management system by continuously enhancing management principles and detailed procedures for each key environmental factor.

Key Areas of Focus

1	GHG Emissions and Energy	• Control energy consumption and GHG emissions at each direct operation through in-house GHG and energy management systems • Establish a 2035 carbon neutrality roadmap
2	Environmental Pollutants and Waste Management	• Establish optimal prevention facilities for air, water, and environmental pollutants • Promote recycling to reduce waste
3	Energy Management	• Identify and share energy-saving opportunities • Purchase renewable energy certificates (RECs)
4	Supply Chain	• Provide consulting on environmental and energy management to suppliers and partners • Implement socially responsible management based on shared growth
5	Environmental Information Disclosure and Enhanced Communication	• Identify the impact of business activities on local communities • Strengthen communication with customers, local governments, and private associations and raise awareness
6	Environmental Education	• Provide environmental education and training for employees and employees of suppliers

Environmental & Energy Management System & Framework

Environmental & Energy Management System & Framework

HD Hyundai Marine Solution systematically operates its environmental and energy management system based on the PDCA[1] cycle model. The Company establishes environmental and energy targets including carbon neutrality, continuously checks implementation of those targets, and evaluates performance. Based on evaluation results, the Company derives improvement tasks and operates various support programs to implement them, enhancing the effectiveness of environmental and energy management activities. These activities are regularly reported to management, and management directly inspects and manages the overall performance and promotion status of environmental and energy management.

1) PDCA (Plan-Do-Check-Act): A practical management framework beyond a simple management technique

Environmental & Energy Management Performance Management System

Environmental Management Commitments

All employees and stakeholders are committed to actively practicing the following

1. Establish and operate an integrated environmental and energy management system based on ISO 14001 and ISO 50001, faithfully complying with applicable laws, regulations, and other requirements to build green leadership.
2. Set measurable and achievable environmental and energy targets, and provide the necessary human, financial, informational, and technological resources to continually improve both the system and performance.
3. Reduce greenhouse gas emissions and mitigate climate change impacts by adopting low-carbon technologies and implementing energy-efficient engineering, procurement, and purchasing strategies.
4. Minimize waste generation, increase recycling rates, and promote efficient energy use to conserve resources and protect the environment.
5. Regularly monitor and review environmental and energy performance, report the results to management, and communicate transparently with stakeholders to strengthen trust.

PDCA Framework

Plan	• Establish short-, mid-, and long-term targets to comply with and achieve environmental and energy policies • Identify key issues through environmental and energy assessments and prepare detailed action plans for resolution
Do	• Operate education and training programs to support target achievement • Promote specific activities such as energy saving and resource circulation
Check	• Monitor target implementation status on a regular basis • Verify performance through internal audits, analyze data, and share results with stakeholders
Act	• Share assessment results with management and identify improvement tasks • Reflect improvement tasks in environmental and energy plans and revise the plans accordingly

Environmental Management

Environmental Management Risk Assessments

Environmental Management Process

HD Hyundai Marine Solution has obtained ISO 14001 (Environmental Management System) and ISO 50001 (Energy Management System) certifications to implement company-wide environmental management, and continuously carries out risk identification and management activities to maintain these certifications. Utilizing the environmental management system requirements re-examined in 2024, the Company established detailed action plans and targets to prepare response measures reflecting IMO environmental regulatory trends, and in 2025, periodically monitored the achievement rate of these targets.

Environmental Management Risks and Opportunities: Action Plans and Effectiveness

Category	Details	Rating	Action Plan	Target	Achievement Rate
Risk	Monitor IMO environmenta regulations and prepare countermeasures	High	Sign technical service contracts with green product quality contractors	As needed	-
			Respond to the Ballast Water Management (BWM) Convention	Compliance status	100%
			Secure key technical personnel for low-carbon products and solutions	As needed	-
			SOx emissions regulation (2020)	Implementation plan	100%
			GHG emissions regulation (2022)	Execution plan	100%
	Identify environmental management system requirements / Conduct training by certification body	Low	Request external training services	2 times	-
			Mandatory training	Completion status	-
			Recruit specialized personnel	As needed	-

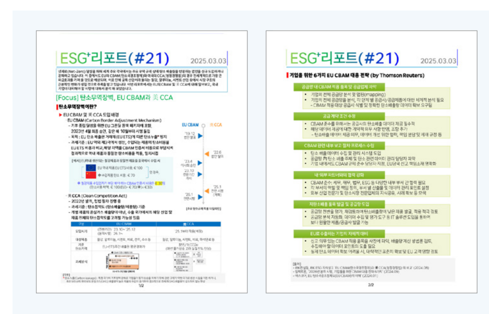
Supplier Environmental Management Process

HD Hyundai Marine Solution is building an efficient collaboration framework based on co-prosperity, reflecting partner companies' needs and expectations. Company-wide environmental training and ISO 14001 training are mandatorily incorporated in business execution-related training processes, and during environmental impact assessment, management is in place to ensure that partner companies sufficiently understand environmental factors in the vessel boarding process and perform work with these in mind. The Company also checks compliance with waste management and quality-related regulations through pre-boarding training to strengthen partner companies' environmental and quality management capabilities. Furthermore, to advance the environmental management system, the Company simultaneously obtained ISO 50001 certification for GDC, Noksan warehouse, and New Port warehouse, establishing an energy management system connected beyond individual business sites to the entire supply chain. The system uses AI-based energy review and regression analysis to derive major impact factors, establishes energy baselines and performance indicators to quantitatively manage improvement effects. Data from all business sites is collected and aggregated in standardized formats, and equipment-level usage status and loss factors are constantly monitored to internalize data-based decision-making. This kind of system is expected to produce effects leading to energy efficiency improvement, electricity consumption reduction, and GHG emissions reduction linked to partner companies' environmental improvement activities.

Supplier Environmental Capacity-Building Activities

Supplier Training | HD Hyundai Marine Solution promotes various environmental improvement support activities to support the enhancement of partner companies' environmental management capabilities, and shares environmental training materials to raise understanding of partner companies' environmental and climate change issues. In March 2025, centered on global policy trends for achieving net zero, the Company shared information on the current status of major countries worldwide introducing or strengthening laws that reflect carbon emissions in trade regulations, and provided materials to improve understanding of EU CBAM (Carbon Border Adjustment Mechanism) and the US CCA (Clean Competition Act). The Company also introduced materials outlining 6 response strategies for companies to effectively respond to the EU CBAM, thereby supporting suppliers in strengthening their capabilities to respond to related regulations.

Temperature Campaign | HD Hyundai Marine Solution is participating in the "Energy-Saving Temperature Awareness Campaign" organized by the Ministry of Trade, Industry and Energy and the Korea Energy Agency, and is promoting energy-saving practices not only at its own business sites but also together with suppliers across its supply chain. The campaign is a nationwide initiative that encourages maintaining indoor temperatures at 26°C in summer and 20°C in winter, with the aim of making energy conservation a part of daily life and fostering a culture of temperature awareness. The Company has distributed campaign posters and stickers to its major business sites, including the Ulsan GDC, Noksan warehouse, and Busan New Port warehouse, to encourage on-site energy-saving practices. In addition, during June and July, the Company proactively conducted a power-saving campaign through direct visits to major business sites, and subsequently launched the Temperature Awareness Campaign for employees in cooperation with the Korea Energy Agency. Through these efforts, the Company continues to promote a culture of energy conservation and improve energy efficiency across its business sites and supply chain.



Supplier training

Temperature campaign

Environmental Management

Environmental Management Risk Management

Waste Management

HD Hyundai Marine Solution has established an internal process covering the entire process of waste generated from business site operations targeting domestic GRC and CSP business sites, and systematically manages waste through the electronic transfer system and 'Olbaro' system. In addition, to expand waste reduction and resource circulation, the Company has participated in the 'BI:CYCLE' campaign with Yuhan-Kimberly since 2024, establishing a resource circulation system for used paper towels generated at the GRC business site. The Company has installed dedicated collection bins throughout all business site areas and encourages employee participation through separation disposal guidance, promoting resource circulation through recycling of collected used paper towels. In 2025, approximately 1,766 kg of used paper towels were recycled, achieving a GHG reduction effect of approximately 1,896 kgCO_2eq based on LCA standards.

Employee Environmental Management Activities

Employee Environmental Training Activities | HD Hyundai Marine Solution conducted ESG-related global disclosure and regulation trend training for ESG Management Council employees in April 2025, centered on the ESG Management Council. The training was conducted in-person for approximately 2 hours, focusing on the introduction flow and timeline of major regulations and disclosure standards such as EU CBAM, EU CSDDD, K-IFRS, and EU CSRD. The Company also shared the Company's environmental sector response direction including climate governance system construction, climate-related indicators and strategy formulation, and the importance of performance management systems. A total of 6 employees attended, and the Company plans to continuously expand related training to build the environmental governance system and improve employees' ESG understanding.

Carbon Reduction Practice Campaign | HD Hyundai Marine Solution is promoting voluntary employee participation centered on carbon reduction practices and spreading an in-house environmental practice culture. The campaign, conducted for approximately 4 months from May to August 2025, was operated in partnership with the Gyeonggi Province Volunteer Center, and was promoted in a way that employees performed and certified monthly environmental practice missions using the 'Motinus' application. In particular, it was operated centered on daily carbon reduction activities including use of public transportation and bicycles, reducing single-use item usage, and energy saving, contributing to improving employees' environmental awareness and spreading a carbon neutrality practice culture.

Establishment of Internal Standards for Green Purchase

HD Hyundai Marine Solution establishes and operates standards for expanding green procurement considering the environmental aspects of products. The Company is promoting expanded procurement of products considering environmental characteristics including eco-label certified products, low-carbon products certified for GHG emissions reduction, and recycling certified products, and green procurement standards are applied to not only product components for sales purposes but also various procurement items such as office supplies and consumables. The Company also manages green procurement centered on products meeting related certification standards, including eco-label certification, Environmental Product Declaration, low-carbon products, energy consumption efficiency ratings, and high-efficiency certification

Environmental Management Metrics and Targets

Key Environmental Goals

HD Hyundai Marine Solution has established clear environmental policies and is promoting environmental management based on these to thoroughly comply with environmental laws and achieve sustainable growth based on ESG management. The Company secures capabilities to proactively respond to evolving environmental laws and regulations, early-identifies environmental risks, and systematically manages them as an important foundation for securing management stability and sustainability. Furthermore, the Company continuously improves its operating system so that the environmental management system can be stably established across the organization, and establishes environmental strategies linked with ESG management strategies for creating actual environmental performance and systematically implements them. The Company also promotes training and awareness-raising activities to improve employees' understanding of changing environmental systems and policies, creating an organizational culture where organizational members can actively participate in environmental management. These environmental management targets and activities are consistently linked with HD Hyundai Marine Solution's environmental management direction and contribute to creating sustainable corporate value by being operated together with specific implementation plans and performance indicators across all management activities.

Key Environmental Management Legal/Regulatory Management Indicators

Indicator	Identification and Application of Changes in Vessel-Related Environmental Laws and Regulations from a Quality Perspective	Green Retrofit Project Management in Accordance with IMO Rules and Regulations
Quantitative Achievement Targets	• Identify environmental regulation-related rules and establish procedures - At least 2 times in a year - 100% revision/amendment rate	• Inspection for issuance of green retrofit certificates • Design and quality management reflecting regulatory requirements

Environmental Management System Certification

HD Hyundai Marine Solution has obtained and continues to renew ISO 14001 and ISO 50001 certifications, internationally recognized standards, in order to minimize environmental risks and ensure efficient energy management.

ISO 14001 Certificate

Validity Period :
2025. 12. 01~2027. 11. 02

Scope of Certification :
GRC, GDC, CSP, Global Academy

ISO 50001 Certificate

Validity Period :
2025. 09. 24~2028. 09. 23

Scope of Certification :
GDC, Noksan warehouse and Busan New Port warehouse

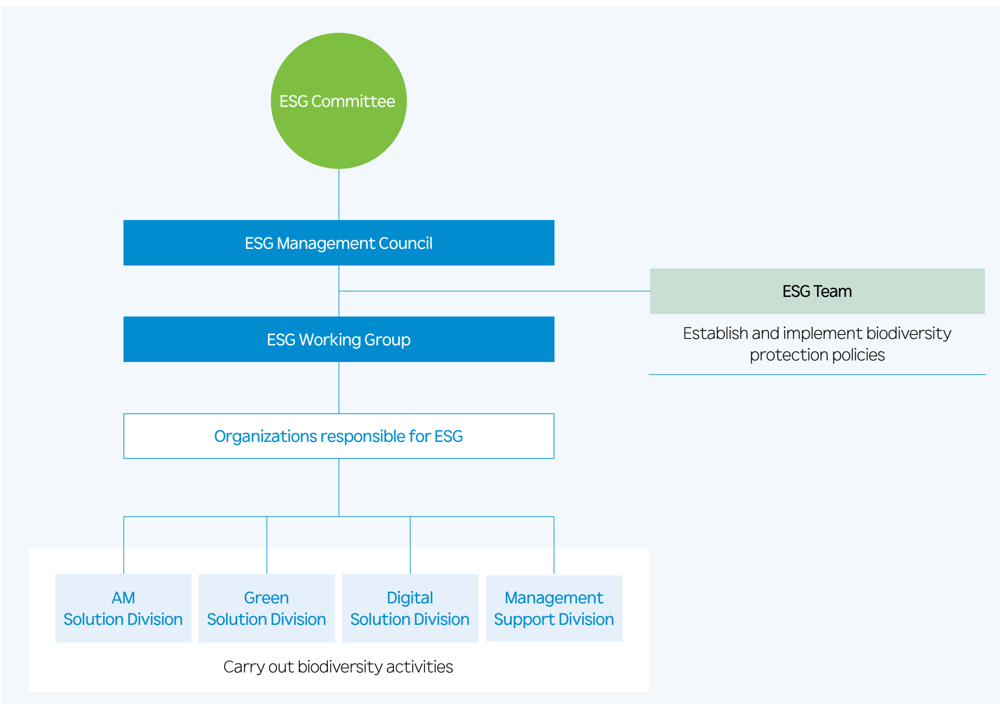
Biodiversity

Biodiversity Governance

Biodiversity Management System

HD Hyundai Marine Solution reports, reviews, and deliberates on key matters including biodiversity protection policy establishment and revision, action plan formulation and implementation, risk analysis, and internal and external communication through the ESG Committee (Board of Directors) and ESG Management Council (Executive Management). The Chief ESG Officer and ESG Management Council Chair receive reports on the Company's policies and formulation related to biodiversity conservation and forest protection, as well as implementation monitoring, and make decisions on material issues.

Biodiversity Management Structure

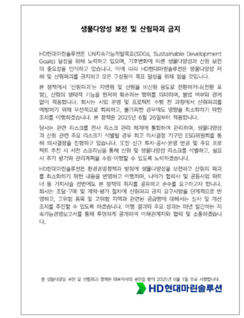


Biodiversity Strategy

Biodiversity Conservation Policy

Biodiversity Conservation and No-Deforestation Policy

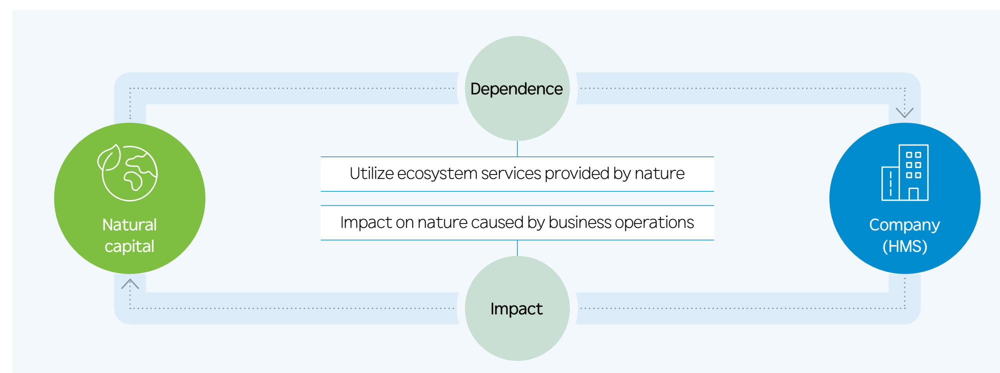
HD Hyundai Marine Solution has established a 'Biodiversity Conservation and No-Deforestation Policy to review potential impacts on biodiversity across all stages of business operations. When biodiversity risks are identified during the planning and execution stages of investments or businesses, the Company will explore and implement solutions to minimize, eliminate, mitigate, or avoid such risks, and where necessary, will collaborate with external stakeholders including local governments and environmental specialist institutions to develop response measures together.



Biodiversity Management Strategy

HD Hyundai Marine Solution depends on natural capital and ecosystem services, such as water resources and coastal ecosystems, provided by nature, and recognizes both its dependencies on nature and the impacts of its business activities on natural ecosystems. Beginning with its directly operated sites, the Company aims to identify and manage biodiversity-related risks by assessing its dependencies and impacts on natural capital.

Concepts of Dependency and Impact



Biodiversity

Biodiversity Risk Management

Biodiversity Risk Assessment and Screening Overview

HD Hyundai Marine Solution conducted a biodiversity risk assessment based on LEAP (Locate, Evaluate, Assess, Prepare), a methodology recommended by the TNFD (Taskforce on Nature-related Financial Disclosures), a global nature-related sustainability initiative, to identify the dependencies, impacts, risks, and opportunities of its business activities related to nature and to derive future management actions.

Biodiversity Risk and Opportunity Management Process Based on LEAP

01 Locate Locate sites	02 Evaluate Evaluate dependencies and impacts	03 Assess Assess nature-related risks and opportunities	04 Prepare Prepare to respond and disclose
• Locate interface with nature - Identifying value chain of the business activities - Identifying priority locations • Locate interfacing with biodiversity - Producing interface maps highlighting where the Company's operations and value chains overlap with sensitive ecosystems, species habitats, and protected areas.	• Evaluate dependency and impact using tools recommended for TNFD (ENCORE, WWF BRF)	• Identify biodiversity-related risks and opportunities based on the dependencies and impacts identified in the Evaluate stage	• Develop a task to mitigate identified risks • Pepare disclosures of targets in the sustainability report

Locate – Identify Nature-related Interfaces

HD Hyundai Marine Solution operates businesses in the areas of AM solutions, bunkering, green retrofitting, and digital solutions, and among these, AM solutions and bunkering, which account for a large share of revenue, were identified as business areas with the highest potential biodiversity impacts and dependencies. Accordingly, the Company identified key business operation areas by value chain stage, focusing on domestic sites and overseas subsidiaries, and conducted the analysis centered on biodiversity risks at the direct operations stage. Going forward, the Company plans to gradually expand the scope of analysis to the green retrofitting and digital solutions areas, further systematizing its biodiversity risk management.

Identify interface with nature for Biodiversity Risk Assessment

Value Chain	Upstream	Direct Operation	Downstream
Selection Criteria	• AM solutions and bunkering divisions • Top suppliers based on FY25 purchase volume	• Headquarters and research centers located in Korea	• AM solutions and bunkering divisions • Top customers based on FY25 sales
Industries	• Manufacture of other machinery and equipment • Extraction of crude petroleum and natural gas	• Repair of fabricated metal products, machinery and equipment • Support activities for water transportation	• Water / maritime transport
Site Locations[1]	• Overseas (Japan, Sweden) • Domestic (Seoul, Incheon, Seosan, etc.)	• Overseas (The Netherlands, Singapore, U.S., U.A.E) • Domestic (Seongnam, Busan, Changwon, Ulsan)	• Overseas (Singapore, Germany) • Domestic (Ulsan)

1) Direct operations includes foreign subsidiaries, excluding foreign branches
Subject to analysis: Headquarters, domestic warehouses, foreign subsidiaries
Criteria: Recommendation for office/warehouses is 5km buffer. However, the application of a 5km buffer has limited reflection of manufacturing and marine business characteristics. Therefore, for the analysis, a 20km buffer is applied conservatively.
Reference: IBAT guidance (recommends application of a 20km buffer for the marine industry)

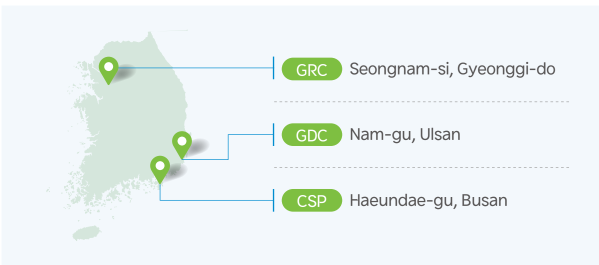
Biodiversity

Biodiversity Risk Management

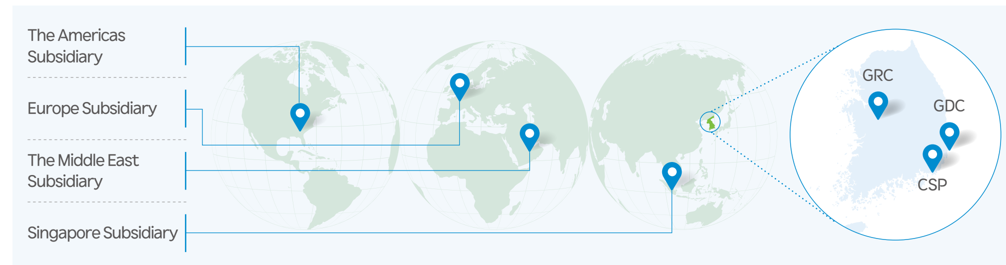
Locate Stage - Identify Species Near the Analysis Sites

HD Hyundai Marine Solution utilized the IBAT (Integrated Biodiversity Assessment Tool) platform recommended by TNFD to identify protected species and protected areas at and near business sites, based on the World Database on Protected Areas (WDPA), World Database of Key Biodiversity Areas (WDKBA), and IUCN Red List data. In addition, the Company further investigated Ministry of Environment-designated Critically Endangered (Class I) and Endangered (Class II) species at the administrative district level where key business sites are located, and plans to actively utilize this information in setting conservation and tracking management targets when establishing future biodiversity conservation activity plans. For overseas subsidiaries, the Company identifies interfaces with nature by referencing CITES Appendix I (including Critically Endangered Class I) and Appendix II (including major endangered species beyond Endangered Class II).

Endangered Species Designated by the Ministry of Environment[1]



1) Where three or more species are identified in this table, only selected representative species are presented
2) For domestic cases, the Statistical Yearbook of Endangered Wildlife published by the Ministry of Environment is referenced
3) For overseas cases, Appendices I and II of CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) are referenced



		Domestic[2]			Overseas[3]			
	Region/Type	Gyeonggi Seongnam-si	Ulsan Nam-gu	Busan Haeundae-gu	The Netherlands	Singapore	USA	UAE
Class I Endangered	Terrestrial plants	Sickle neofinetia	-	-	-	-	Star cactus, Nellie cory cactus, etc.	-
	Birds	-	Chinese egret	-	Yellow-shouldered amazon, White-tailed eagle, etc.	Great hornbill, Eastern imperial eagle, etc.	Gyrfalcon, Eskimo curlew, etc.	Eastern imperial eagle, Dalmatian pelican, etc.
Class II Endangered	Mammals	Leopard cat, Flying squirrel	Leopard cat	-	Beluga whale, Risso's dolphin, etc.	Pygmy killer whale, etc.	North American river otter, Polar bear, etc.	Long-beaked common dolphin, Sand cat, etc.
	Birds	Crested honey buzzard, Eurasian sparrowhawk, Eurasian hobby, etc.	Osprey, Eurasian sparrowhawk, Eurasian hobby, Black kite, etc.	Eurasian sparrowhawk	Eurasian sparrowhawk, Golden eagle, etc.	-	Cooper's hawk, Northern spotted owl, etc.	Northern goshawk, Demoiselle crane, etc.
	Amphibians/ Reptiles	Narrow-mouthed frog	-	Gori salamander	Green iguana	-	Spotted turtle, Bog turtle, etc.	-
	Terrestrial plants	Prickly water lily	-	Utricularia uliginosa, etc.	Fire orchid, Apple cactus, etc.	Bamboo orchid, etc.	Sea urchin cactus, etc.	-
	Invertebrates	–	Clithon retropictus	-	Cauliflower coral, etc.	Table coral, etc.	Clubshell, etc.	Star coral, Branch coral, etc

Classification	Category	Seongnam (GRC)	Busan (CSP)[4]	Ulsan (GDC)	The Netherlands	Singapore	USA	UAE
IUCN Red List[1]	Critically Endangered (CR)	7	14	12	7	45	4	17
	Endangered (EN)	35	43	41	13	269	11	53
	Vulnerable (VU)	55	62	58	72	184	18	43
	Near Threatened (NT)	47	57	57	69	182	29	30
	Least Concern (LC)	818	997	946	927	3,429	894	816
	Data Deficient (DD)	56	69	65	19	190	11	21
WDPA[2]	National Protected Areas	130	80	75	42	9	29	7
	Ramsar Wetlands	4	1	1	10	3	-	3
KBA[3]	Key Biodiversity Areas	7	2	1	28	4	1	1

1) IUCN (International Union for Conservation of Nature) Red List threatened species: The IUCN Red List of Threatened Species
2) WDPA (World Database on Protected Areas): Protected areas worldwide
3) KBA (Key Biodiversity Areas): Key biodiversity areas
4) For the Busan area, CSP, HMST, Busan New Port warehouse, and Noksan warehouse are located in the area; The information is presented based on the location of Busan CSP, as there are no significant differences from the other locations in terms of data.

Biodiversity

Biodiversity Risk Management

Evaluate Stage

HD Hyundai Marine Solution utilized the WWF-BRF (Biodiversity Risk Filter) to identify biodiversity risks by business site including headquarters, subsidiaries, warehouses, and overseas subsidiaries. After comprehensively considering physical risks and regulatory and reputational risks, the biodiversity risk score of logistics warehouses exceeded the threshold of 3.4 points, identifying logistics warehouses as high-risk areas for biodiversity risk management.

- According to the data analysis results, the geographically proximate sites—Busan site (CSP), Ulsan (GDC), and the Busan subsidiary (HMST)—generally showed similar risk characteristics, whereas the New Port and Noksan logistics centers and overseas entities displayed different patterns depending on their business environment and locational characteristics. Accordingly, the data were presented separately for the head office, logistics centers, and overseas entities to more clearly reflect the characteristics of each site.
- The domestic and overseas sites included in the analysis are located in areas that may be affected by climate phenomena such as typhoons (tropical cyclones). As such, potential impacts on facility operations and logistics activities were identified. In addition, climate change trends such as rising temperatures and more frequent heatwaves were recognized as factors requiring continuous management, particularly in terms of working conditions and energy use, given the nature of the business, which involves a relatively high proportion of outdoor work.
- An analysis of the soil, water, and air environment surrounding the business sites showed that some areas where the domestic sites are located are subject to relatively high levels of air environmental burden. This reflects the overall air quality characteristics of those regions, separate from the Company's own environmental impact.
- It was also found that the Busan and Changwon areas, where the warehouses are located, have some proximity to legally protected areas and Key Biodiversity Areas (KBAs). Accordingly, the Company plans to continuously monitor potential impacts on biodiversity arising from its operations and further strengthen related management activities.
- Using regulatory risk analysis data provided by WWF-BRF, HD Hyundai Marine Solution assessed biodiversity-related regulatory and policy frameworks in the regions where it operates. This analysis comprehensively assesses national biodiversity strategies, legal and institutional frameworks, and implementation systems, and was used as a reference indicator to understand the characteristics of each country's regulatory environment. In particular, it was considered to provide meaningful implications for the domestic environment, which has a relatively centralized legal and regulatory system, and was therefore reflected in this review.
- The analysis showed that, in the regions where the Company's domestic business sites are located, there is room for continued development in the policy and institutional environment related to biodiversity strategies and action plans, as well as the management of endangered species. On the other hand, the institutional foundations related to the definition of biodiversity and protection systems appear to be relatively well established. Accordingly, the Company plans to continuously monitor domestic biodiversity-related laws, regulations, and policy trends, and to strengthen its management framework in order to appropriately reflect related requirements in its business operations.

WWF 5.0 – 4.2	WWF 4.2 – 3.4	WWF 3.4 - 2.6	WWF 2.6 – 1.8	WWF 1.8 – 1.0	Grade by tool[1]	Encore Very High	Encore High	Encore Medium	Encore Low	Encore Very Low

WWF-BRF Biodiversity Risk Assessment Results

Category	Sub-category	Risk Details	HQ		Warehouse		Overseas subsidiaries			
			Seongnam (GRC)	Busan (CSP)	Busan (Noksan warehouse)[2]	Changwon (Busan New Port warehouse)	The Netherlands	Singapore	USA	UAE
Physical risks	Provisioning Services	Water Availability	2.55	2.25		2.8	1.65	1.5	1.95	3.05
	Regulating & Supporting Services - Enabling	Water Quality	2.61	2.83	3	2.72	2.83	2.83	2.72	2.56
	Regulating Services - Mitigating	Air Quality	4.5	4.5		4	3.38	4.12	3.5	4.12
		Disease	4	4		4	4	4	4	3
		Extreme Heat	3.5	3.5		3.5	3	3.5	4.5	4.5
		Tropical Cyclones	3.5	4	4.5	4.5	2	3	3.5	
		Flooding	2.38	2.12		3.88	2.25	2.25	2.38	1.62
Regulatory Deficiency Risk	Application	Status of National Biodiversity Strategies and Action Plans (NBSAP)	4	4		4	2	4	4	3
		Biodiversity Conservation Policy Statement in Law	4	4		4	2	5	3	3
	Scoping	Definition of Biodiversity	2	2		2	3	5	5	4
		Definition of a Threatened Species	4	4		4	4	5	4	3
Reputational Risk	Pressures on Biodiversity	Pollution	3.42	3.08	5	4.58	3.12	3	2.98	3.17
	Environmental Factors	Protected/Conserved Areas	2	2.5	4	4	2.5	1.5	1.5	2
		Key Biodiversity Areas	2	2	3.5	3.5	2.5	2	1.5	2.5
	Socioeconomic Factors	Labor/Human Rights	2	2		2	1.5	2.5	1.5	3.5
		Financial Inequality	1.5	1.5		1.5	1.5	2	2.5	1.5

1) While WWF quantifies risk on a scale of 1 to 5, the ENCORE tool presents five rating levels—VH (Very High), H (High), M (Medium), L (Low), and VL (Very Low). To enhance comparability between the two tools, the risk levels were structured into five color categories.

2) "No Data" indicates that the industry type and geographical location of the respective site do not correspond to the risk indicators provided by the WWF BRF. In the case of the Busan New Port warehouse, applicable ecosystem service indicators are limited due to the characteristics of port and industrial complex zones, and spatial data for the area is limited, resulting in a significant number of "No Data" entries.

Biodiversity

Biodiversity Risk Management

Evaluate Stage

HD Hyundai Marine Solution assessed biodiversity-related dependencies and impacts at the indicator level, using the ENCORE Tool, across the major industry groups identified in the Locate stage—manufacture of other machinery and equipment, extraction of crude petroleum, repair and installation of machinery and equipment, warehousing and transportation support services, and maritime transportation.

- The dependency analysis found some reliance on natural capital related to water supply and water quality purification in direct operations, although the overall level was limited. In addition, in the downstream stage, some transportation routes operate adjacent to marine landscapes and coastal areas, indicating potential exposure to changes in management policies or usage conditions in environmentally sensitive areas.
- The impact analysis showed that, in the upstream stage, environmental impact categories related to marine ecosystem use and soil and water quality were relatively significant in connection with crude oil and natural gas extraction activities. In the downstream stage, the introduction of invasive aquatic species and water quality-related environmental impact categories were identified as key considerations in maritime transportation. This suggests the need for continued management of potential environmental impacts arising from vessel operations.
- Overall, the impacts on the natural environment arising from direct operations were assessed to be at a relatively manageable level, and the Company plans to continuously monitor and manage potential environmental impacts.

Dependency Identification Results Using the ENCORE Tool

Category		Eco System									
		Cultural Services		Provisioning services	Regulating and maintenance services						
Value Chain	Industry Group (ISIC)	Recreation-related services	Visual amenity services	Water supply	Water purification services	Soil quality regulation services	Flood mitigation services	Storm mitigation services	Air filtration services	Global Climate regulation services	Local (micro and meso) climate regulation services
Upstream	Manufacture of other special-purpose machinery										
	Extraction of crude petroleum and natural gas										
Direct operations	Repair and installation of machinery and equipment										
	Warehousing and support activities for transportation										
Downstream	Sea and coastal freight water transport										

Impact Identification Results Using the ENCORE Tool

Category		Press									
		Change in use of land/freshwater/seabed			Climate Change	Use of resources	Pollution/Elimination of Pollution				Introduction/Removal of Invasive Alien Species
Value Chain	Industry Group (ISIC)	Area of freshwater	Area of seabed use	Area of land use	Emissions of GHG	Volume of water use	Emissions of non-GHG air pollutants	Generation and release of solid waste	Emissions of toxic pollutants to water and soil	Disturbances (e.g. noise and light)	Introduction of invasive species
Upstream	Manufacture of other special-purpose machinery										
	Extraction of crude petroleum and natural gas										
Direct operations	Repair and installation of machinery and equipment										
	Warehousing and support activities for transportation										
Downstream	Sea and coastal freight water transport										

Biodiversity

Biodiversity Risk Management

Assess Stage

HD Hyundai Marine Solution identified major potential risks and opportunities considering dependency and impact on natural capital.

Natural Capital-Related Risks and Opportunities

Category	Type	Dependency	Impact	Issue	Financial/Environmental-Social Impact	Risk Response and Mitigation Measures	Impact on Value Chain			
							Upstream	Direct operations	Downstream	Adjacent areas
Physical Risk	Acute	●		Protection from tropical cyclones	• Loss of vessels or fuel-tank damage from typhoons may cause marine ecosystem pollution, leading to incident-response costs	• Pre-adjust schedules for entering ecologically sensitive waters based on typhoon forecasts, and operate alternative routes • Establish climate-resilient design, maintenance, and restoration solutions	●	●	●	●
	Chronic	●	●	Impact from air quality deterioration	• Potential respiratory and cardiovascular illness among outdoor workers, causing operational delays	• Discuss establishing a PM2.5 and black-carbon monitoring system near worksites • Set work-suspension criteria as monitoring indicators advance • Reduce air emissions through energy-efficiency gains from vessel retrofits	●	●	●	●
Transition Risk	Policy and Legal		●	Tighter policies on marine oil and hazardous-substance discharge	• Charter-fee losses and penalties from Port State Control (PSC) detention upon non-compliance • Compensation under the CLC FUND for oil-pollution damage in the event of a spill	• Establish a safety-management system to prevent HNS (Hazardous and Noxious Substances) and oil spills, and strengthen navigation procedures in ecologically sensitive waters • Minimize spill volume via shorter inspection cycles and dual safety valves		●		●
	Reputation	●	●	Changing stakeholder awareness from proximity to biodiversity-sensitive areas	• Reduced competitiveness from reputational risk in new bids and contracts • Heightened stakeholder ESG expectations when marine pollution or ecosystem-damage issues arise	• Establish ecosystem-monitoring systems at worksites near biodiversity-sensitive areas • Build stakeholder trust through voluntary disclosure of biodiversity-loss prevention measures • Set up community and stakeholder participation procedures when designing restoration activities		●		●
Opportunity	Technology	●	●	Increased water-resource efficiency	• Lower operating costs through water reuse and improved usage efficiency	• Reduce water intake by reviewing water-reuse system options		●		●
	Ecosystem protection and restoration		●	Marine ecosystem and invasive alien species management	• Expansion of AM Solutions business through anti-biofouling hull coatings and cleaning technologies • Enhancement of ecosystem-protection capacity by preventing the attachment and spread of alien species	• Identify and manage invasive alien species that disrupt ecosystems • Set targets for restored habitat area (ha)	●	●	●	●

Biodiversity

Biodiversity Risk Management

Prepare Stage – Response Planning and Target Setting

HD Hyundai Marine Solution systematically identifies and manages nature-related risks and opportunities based on the TNFD (Taskforce on Nature-related Financial Disclosures) recommendations and the LEAP methodology. The Company conducts field surveys of endangered species and protected areas within a 10 km radius of its worksites, manages protected areas and endangered species, and performs biodiversity impact assessments, establishing strategic directions across ◆ Protection and Restoration ◆ Supply Chain and Responsible Sourcing ◆ Transparent Management. These visions and targets are measured and disclosed in line with the TNFD framework and will be shared transparently with stakeholders through the Company's Sustainability Report.

Three Core Visions and Goals for Biodiversity

Basic Direction	Focus Area
Conservation and Restoration	Achieve Net Positive Impact (NPI) through designation of priority management areas
Supply Chain and Responsible Sourcing	Pursue responsible sourcing through goal setting, such as a no-deforestation policy
Transparent Management	Strengthen stakeholder communication through continuous biodiversity assessments and disclosures

Mid- to Long-Term Goals

Step 01
- Establish a protection plan for endangered species inhabiting areas near operation sites
- Promote employee participation in biodiversity conservation social contribution activities
- Establish a management framework and policies, and conduct risk assessments

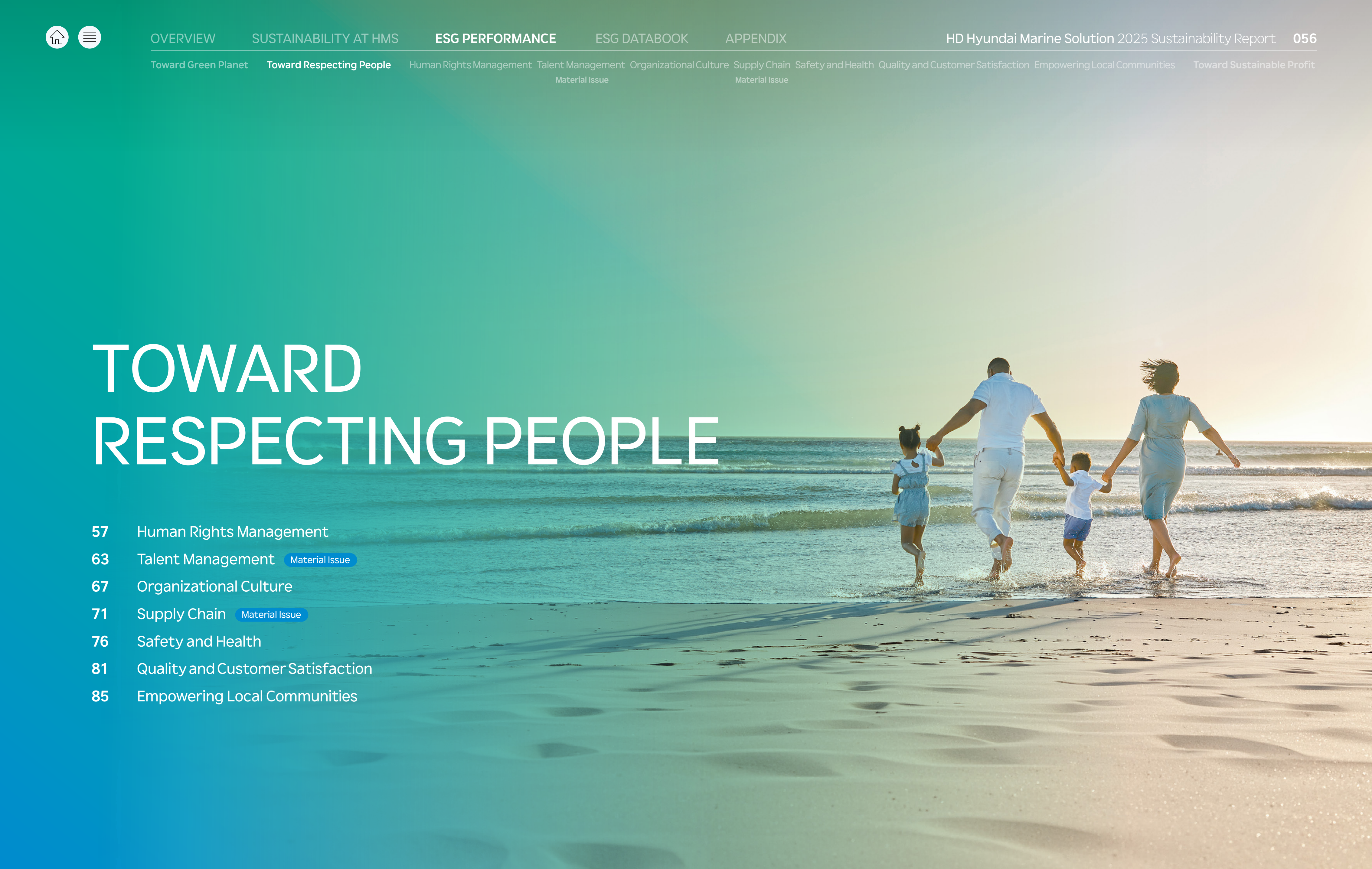
2025 Target
- Implement a pilot ecological conservation project near operation sites and establish a foundation for systematization
- Establish a reporting system for biodiversity activities to the ESG Committee

Step 02
- Implement pilot ecological conservation projects near business sites and establish a foundation for systematization
- Establish a reporting system for biodiversity activities to the ESG Committee
- Set restoration area (ha) targets and define performance measurement criteria

2026 Target
- Implement one pilot project
- Conduct one employee participation social contribution activity
- Define performance measurement criteria for conservation activities
- Report to the Committee once

Step 03
- Develop the management framework and regularly disclose information based on the TNFD framework across all operation sites
- Disclose biodiversity risk mitigation performance
- Add "biodiversity" as an assessment item in the supply chain ESG evaluation

2030 Target
- Expand target areas and activity types from 2027 onward through annual initiatives
- Introduce regular FY-based reporting from 2027 onward
- Align with the planned expansion of overseas subsidiaries and the supply chain by 2030



TOWARD RESPECTING PEOPLE

Human Rights Management

Human Rights Management Governance

Human Rights Management Committee

HD Hyundai Marine Solution established the Human Rights Management Committee in 2022 to protect and promote the human rights of its employees and other stakeholders. Since then, the Company has operated a dedicated governance body to deliberate and decide on key human rights issues. The Committee regularly reviews and revises its human rights management and due diligence policies, ensuring that the human rights management system functions in practice rather than serving as a mere formality. The Company also continuously reviews human rights-related performance and issues to identify areas for improvement, reflecting these in its policies and systems to strengthen a culture of respect for human rights across the organization.

In 2024, the Company established procedures for reporting to and obtaining approval from the ESG Committee under the Board of Directors when significant human rights issues arise, further enhancing the transparency of management accountability and decision-making on human rights risks. In 2025, building on this operating framework, the Company published its first Human Rights Management Report, which serves as a foundation for proactively diagnosing potential human rights risks among internal and external stakeholders and for setting priorities for future improvement activities.

As major customers and investors increasingly require robust human rights management systems, and as human rights factors carry greater weight in ratings agencies' assessments, the importance of human rights management continues to grow. In response, HD Hyundai Marine Solution is clearly defining its human rights policies, lines of responsibility, and operating procedures, and embedding them concretely within its management system.

Human Rights Management Organizational Structure

ESG Committee
Highest decision-making body for ESG programs

ESG Management Council

Human Rights Management Committee — **ESG Team**
Implementing human rights management (training, due diligence, management, etc.)

Divisions related to human rights management

AM Solution Division	Green Solution Division	Digital Solution Division

Management Support Division	Safety Management Team	Smart Care	Legal Team

2025 Human Rights Management Committee - Key Agenda Items

Date	Agenda Details
2025.07.03	• Trends in global supply chain due diligence • Human rights management system and due diligence results • Supply chain due diligence and shared growth (status & plans) • Human rights management roadmap and improvement tasks • Human rights report publication

Human Rights Management Declaration

Human Rights Management Declaration | HD Hyundai Marine Solution adheres to the Company's Human Rights Management Declaration and practices human rights management that aligns with international standards, including the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines, the International Labour Organization (ILO) Core Conventions, and the EU Corporate Sustainability Due Diligence Directive (CSDDD). Through these efforts, the Company affirms its strong commitment to respecting and protecting the rights of all stakeholders affected by its business activities and integrates human rights principles into its business operations and decision-making processes.

HD HMS Human Rights Management Declaration

HD Hyundai Marine Solution is committed to respecting and promoting human rights in accordance with the United Nations Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct, the International Labour Organization(ILO)'s relevant human rights conventions/agreements, including the Declaration on Fundamental Principles and Rights at Work, and the EU Corporate Sustainability Due Diligence Directive (CSDDD).
HD Hyundai Marine Solution endeavors to uphold the values of human rights, labor, environment, and ethics across all regions and countries in which we operate, in full compliance with applicable laws. The Group conducts our business in line with internationally recognized human rights standards and is committed to implementing concrete actions in line with these principles.
We carry out periodic human rights due diligence to identify and prevent adverse potential and actual human rights impacts. Where such risks are identified, we implement corrective action plans and monitor the progress to mitigate and minimize potential and actual human rights risks. The outcomes are disclosed in a transparent manner. HD Hyundai Marine Solution has established a human rights management governance system composed of the Board of Directors, a dedicated Human Rights Committee, related departments, and a dedicated team. This structure is responsible for ensuring that human rights are respected throughout the organization and across our operations. Through this governance, we set and advance our human rights policies, report and oversee major issues through the Committee, conduct human rights impact assessments, implement necessary improvements, and provide remediation for human rights grievances.
Recognizing the nature of our industry, HD Hyundai Marine Solution particularly manages and monitors human rights issues related to working conditions, occupational safety and health at worksites, benefit sharing and effective engagement with suppliers, and responsibilities to the environment and local communities. HD Hyundai Marine Solution will strive to engage in continuous dialogue and cooperation with stakeholders, including employees, suppliers, consumers, and local communities. In cases where there is a conflict between company policies and the applicable local or international laws, the Group shall seek to comply with legal requirements while upholding our commitment to internationally recognized human rights standards, including those articulated in the UNGPs.

HD Hyundai Marine Solution Chief Executive Officer

Human Rights Management

Human Rights Management Governance

Human Rights Management Policy

In March 2025, HD Hyundai Marine Solution adopted the human rights management declaration, the human rights management and due diligence policy, and the grievance handling and notification regulations newly established and revised by the HD Hyundai Group as its foundational, Group-wide human rights standards, embedding them directly into the Company's own human rights management framework. Approved by the Chief ESG Officer, the policy was formally announced as the Human Rights Management Policy and is observed throughout the Group, both internally and externally. As a global company in the maritime industry, the Company is internalizing these Group-level principles as practical operating standards. Accordingly, it designs and operates its human rights management system in accordance with international human rights norms—including the UN Guiding Principles on Business and Human Rights (UNGP), the UN Global Compact (UNGC), and guidelines from the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD), and the European Union (EU)—and applies a prevention-focused management system that safeguards the human rights of diverse stakeholders across all stages of its business operations.

Through this, HD Hyundai Marine Solution practices responsible management that treats human rights not as a merely declarative value but as a standard for decision-making and operations, and it continues to deliver human rights management at the level expected by the international community.

Details of the Human Rights Management Policy Statement

Human Rights Management Declaration	Human Rights Management & Policy
Comprehensively sets out the core principles and goals of HD Hyundai Group's human rights management	Defines 16 core human rights principles that HD Hyundai Group must uphold, and stipulates a mandatory annual due diligence requirement
Structure of the Human Rights Management Declaration	Structure of the Human Rights Management & Due Diligence Policy
1. Purpose of the Group's human rights management 2. Commitment and efforts to implement 3. Governance structure and roles 4. Key management matters 5. Declaration of respect for human rights	Chapter 1 General Provisions Chapter 2 General Principles of Human Rights Management Chapter 3 Human Rights Management System Chapter 4 Human Rights Management Committee Chapter 5 Human Rights and Environmental Due Diligence

Human Rights Management Strategy

Principles of Respect for Human Rights

HD Hyundai Marine Solution has systematically established six core areas of human rights respect, defined around the key domains that all stakeholders—including employees, suppliers, and local communities—should jointly protect and promote. These were set out in its Human Rights Management Policy, revised in 2025, reflecting the ILO core conventions and the major human rights conventions and covenants ratified by the Republic of Korea. To ensure that the principles of respect for human rights operate within actual business activities rather than remaining mere declarations, the Company has designed assessment criteria reflecting the 16 human rights issues recognized by the international community and is actively conducting human rights impact assessments on this basis. In doing so, it has proactively recognized the need to examine—against global standards—even issues that are unlikely to arise in the domestic context, such as child labor, forced labor, and it is continuously advancing the understanding and implementation of human rights principles by pursuing policy enhancements and employee training in parallel.

Our Approach to Respecting Human Rights

Human Rights Management Report

In July 2025, HD Hyundai Marine Solution published its first Human Rights Management Report. The report includes the Human Rights Management Declaration as well as the human rights due diligence policy and human rights impact assessment indicators, among others. Following the publication of the report, the Company is strengthening its policies and management systems to respect the human rights of employees, suppliers, and diverse stakeholders. In particular, it operates policies and indicators related to labor rights protection—including payment of a living wage, compliance with overtime-related regulations, equal pay without gender-based discrimination, guaranteed wages for annual paid leave, and the establishment of minimum consultation or advance notice periods in the event of mass layoffs.

Prohibition of Discrimination and Harassment

Discrimination and Harassment Reporting Site

HD Hyundai Marine Solution strictly prohibits discrimination and workplace harassment so that all employees can work in an environment where their dignity and personal integrity are respected. The Company does not tolerate any discrimination on the basis of gender, age, race, disability, religion, political views, regional origin, or any other grounds, and it continuously pursues systems and practical measures to prevent and eliminate workplace harassment and sexual harassment. Where discrimination or workplace harassment is confirmed through the human rights impact assessment process, or where such conduct is substantiated through grievance intake and investigation procedures, the Company takes disciplinary action against the perpetrators in accordance with the standards set out in its employment rules.

Reporting Process

01 Report Submission	Online (Cyber Audit Office), phone, etc. ※ Adhere to whistleblower protection guidelines
02 Review of Report and Verification of Facts	Confirm the specifics of the report and secure supporting evidence ※ Begin the investigation after a preliminary investigation plan is reported and approved
03 In-Depth Investigation	Establish the facts through investigation of the subject, relevant departments, suppliers, and others
04 Implementation of Corrective Actions	Establish improvement measures (recurrence-prevention plans) and request disciplinary action; after internal reporting, share findings with the relevant divisions

Human Rights Training Implementation Status

Training Topic	Content	Participants
2025 Human Rights Management Training	2025 human rights management status and strategy	All employees
Workplace Disability Awareness Training	Promoting awareness and understanding of persons with disabilities	
Workplace Sexual Harassment Prevention Training	Definition of sexual harassment and handling guidelines	
Workplace Harassment Prevention Training	Definition of harassment, labor-related legal requirements, and criteria for determination	

Human Rights Management

Human Rights Management Strategy

Human Rights Management Roadmap

HD Hyundai Marine Solution is conducting human rights impact assessments across its entire domestic and overseas supply chain in response to the EU CSDDD, which takes effect in 2028, in order to proactively identify and manage human rights risks throughout its supply chain and to achieve responsible management aligned with global standards. These activities are being implemented systematically under a three-phase action plan designed to ensure the effective and stable implementation of the Company's human rights management framework.

Human Rights Management Roadmap

2024~2025 Establishing the Group's Human Rights Management Framework	• Establish Group-wide standard policies and work processes • Develop a human rights management implementation manual • Conduct HMS due diligence - Scope: GRC (Headquarters), The Netherlands (HMS Europe)
2025 Phase I	Building HMS's Own Framework • Manage improvement tasks and drive related operations • Publish the 1st Human Rights Management Report • Conduct human rights impact due diligence (HMST, HMS Americas)
2026 Phase II	Operating and Expanding the HMS Framework • Embed the improvement-task management system • Expand the scope of due diligence to overseas subsidiaries and high-risk supply chains (HMS Singapore, Middle East FZE)
2027 Phase III	Stabilizing Human Rights Management • Stabilize the management system in line with the EU CSDDD's effective date • Conduct human rights due diligence across all worksites • Publish the 2nd Human Rights Management Report

Mid- to Long-Term Human Rights Management Goals

Goal	Details
Advancing the Previous Year's Improvement Tasks	• Prioritize the 35 improvement tasks (considering importance, urgency, and feasibility) and establish a roadmap for their implementation • Drive implementation through the relevant departments in line with the roadmap • Build expertise through training for relevant departments and dedicated staff (Achieve a total of three human rights training sessions per year, including regular training)
Supply Chain Mapping	• 2027: Identify suppliers with purchases of KRW 100 million or more within HMS's own supply chain, along with their risk levels (including overseas subsidiaries) • 2028: Establish a supplier due diligence roadmap, starting with high-risk groups
Enhancing Due Diligence in Operating Departments	• Second half of 2025: For departments already subject to due diligence, conduct reviews and human rights due diligence focused on improvement tasks (HMST, HMS Americas) • Second half of 2026: Due diligence at HMS Singapore and Middle East • Second half of 2027: Due diligence across all worksites
Enhancing the Grievance Handling System	• 2030: In line with HD Hyundai Group's framework, strengthen training and engagement activities related to HMS's grievance handling system and its scope

Grievance Handling and Notification Procedures

HD Hyundai Marine Solution expanded and restructured its grievance handling and notification procedures in 2025 to provide stakeholders who have suffered human rights violations with practical pathways to remedy and to identify and manage adverse human rights impacts on an ongoing basis. The procedures are designed to meet the standards of Article 31 of the UN Guiding Principles on Business and Human Rights (UNGPs) and Article 14 of the EU Corporate Sustainability Due Diligence Directive (CSDDD), thereby reinforcing the effectiveness of human rights due diligence. Grievances received are channeled into internal review and follow-up actions and are managed so that they inform recurrence-prevention measures and institutional improvements.

1 Reporting and Notification	2 Consultation / Investigation	3 Resolution / Guidance on Grievances and Notifications	4 Monitoring / Oversight
• Receive the report • Reporting line: Grievance contact points by department → Vice Chair → Chair	• Verify the details and facts: - Review the eligibility of the report - Hear the whistleblower's requested remedy - Review available remedy options	• Discuss resolution options and prepare a results report • Communicate the review results and hear the whistleblower's feedback	• Verify the effectiveness of the resolution • If necessary, supplement remedial actions, improve procedures, and take other follow-up steps

Human Rights Management

Human Rights Risk Management

Human Rights Due Diligence

HD Hyundai Marine Solution is responding proactively to the intensifying human rights due diligence requirements across global supply chains by enhancing its due diligence system not only at its own worksites but throughout the entire supply chain. To this end, the Company conducted a current-status assessment to systematically identify and manage potential adverse human rights and environmental impacts in the supply chain, and on this basis refined its human rights impact assessment model and detailed evaluation questions. It also conducted human rights impact assessments at its worksites and, drawing on the results, developed specific response and improvement measures, while also carrying out practical management activities such as expanding the scope of monitoring and enhancing the transparency of disclosures. In particular, the Company has focused on evolving the human rights impact assessment from a mere procedural requirement into an action-oriented due diligence system that encompasses prevention and mitigation. Through these efforts, it is strengthening its capacity to respond to human rights violation risks and steadily building a responsible supply chain management system.

Human Rights Impact Assessment Process

01	Status Diagnosis Internal & External Environment Analysis	• Identify domestic and international human rights regulations and trends • Analyze the Company's human rights issues • Review the existing human rights management framework
02	Human Rights Risk Identification Developing the Assessment Model and Questions	• Review the validity and relevance of domestic/international norms and the Company's issues • Develop the human rights impact assessment checklist • Design the assessment model
03	Human Rights Impact Assessment Conducting the Assessment	• Match each question to the relevant department • Train operating and relevant departments • Conduct the written assessment • Carry out on-site due diligence for high-risk areas
04	Response & Improvement Diagnosis and Establishing Improvement Plans	• Assign priorities • Establish improvement plans and detailed action tasks • Define a monitoring approach • Enhance the grievance handling system
05	Monitoring Implementing the Action Plan	• Manage implementation quantitatively and qualitatively on a timeline basis • Define roles and responsibilities (R&R) for the dedicated team and relevant departments • Provide training in parallel where necessary
06	Information Disclosure Reporting and Disclosure	• Report to and obtain approval from the Human Rights Management Committee and the ESG Committee • Disclose through the Human Rights Management Report and the Sustainability Report

Assessment Indicator Development

HD Hyundai Marine Solution restructured its existing human rights impact assessment indicators and enhanced them with a focus on effectiveness, taking comprehensive account of the global trend toward tighter human rights regulation and the characteristics of its industry. Drawing on the due diligence framework of the RBA (Responsible Business Alliance), it structurally incorporated detailed review items spanning the full breadth of ESG—human rights, ethics, and the environment—into its indicators. Moving beyond a simple checklist, it sharpened the precision of its assessment questions and criteria so that, for each human rights theme, both the risk factors and the level of management can be diagnosed together. Furthermore, where items fall short of the standards during assessment, the Company identifies specific improvement tasks based on the recommendations of external advisors and embeds these into its human rights management processes, integrating them into its management systems. In this way, assessments do not remain one-off procedures but instead drive continuous improvement and a higher standard of management.

Human Rights Impact Assessment Indicators

Total Indicators (296)

Human Rights Governance	Labor	Occupational Safety and Health
• Declaration of human rights policy • Regular implementation of human rights impact assessments • Human rights management system • Human rights management performance • Provision of remedy procedures • Reporting and investigation systems • Human rights management training	• Prohibition of forced labor • Young workers • Working hours • Wages and benefits • Prohibition of discrimination, harassment, and inhumane treatment • Freedom of association and collective bargaining • Other labor-related matters	• Occupational safety and health systems • Emergency response measures • Industrial accidents and diseases • Industrial hygiene • Physical labor • Machine safeguarding • Food, sanitation, and housing
Supply Chain Management	**Ethics**	**Environment**
• Company's supply chain management system • Contracts with suppliers • Supplier assessment • Supplier risk management • Responsible mineral sourcing/conflict minerals • Supplier grievance handling	• Business integrity and prohibition of unfair gains • Information disclosure • Intellectual property • Fair trade, advertising, and competition • Personal data protection • Consumer protection • Protection of local residents' human rights	• Soil contamination • Water management • Sanitation facilities • Chemical substances • Ecosystem protection • Environmental information and training

Human Rights Risk Identification Process – Prioritization

International norms such as the UNGPs (Principle 24) and OECD guidelines require companies not only to identify human rights and environmental risks, but also to prioritize management according to impact severity and urgency. Reflecting this approach, the Company used the 18 key risks identified in UNDP's 'Human Rights Due Diligence Training Facilitation Guide' and others including SME Compass and CSR Risk Check, and applied an evaluation system comprehensively considering Severity and Likelihood of occurrence for each item. In this process, 5 risks where both evaluation criteria were derived as 'Medium' or above were identified as Salient Human Rights Issues and included in the highest priority management scope. Human rights impact assessment results confirmed that these issues are currently controlled and managed at an appropriate level, and going forward the Company plans to further strengthen management standards to proactively respond before potential risks materialize, continuously advancing human rights protection capabilities.

Prioritization Assessment Process

Establishing assessment topics and criteria
Establish topics and criteria suitable for the Company with reference to international standards and professional organizations
- Reflect the industry-specific and national (Korea) characteristics

Assessing severity and likelihood
Prioritize human rights impacts based on severity and likelihood
- Severity: Determine the scale, scope, and irremediability

Identifying and mapping key human rights issues
Identify the Salient Human Rights Issues the Company should prioritize, then link them with the risks identified during human rights due diligence

Human Rights Management

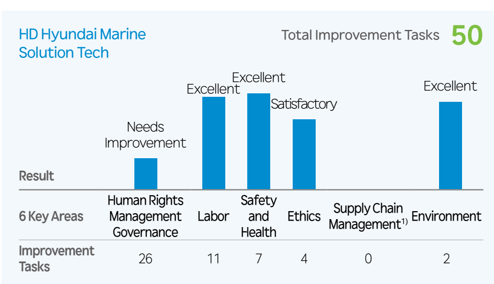
Human Rights Risk Management

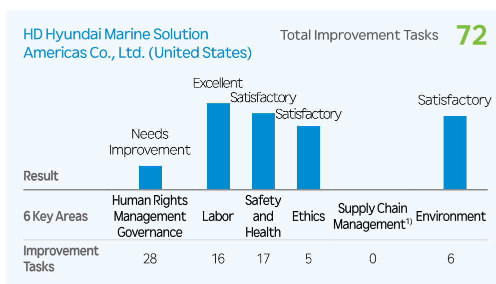
Human Rights Impact Due Diligence Report

HD Hyundai Marine Solution worked with attorneys, certified labor consultants, and ESG specialists from the law firm Bae, Kim & Lee LLC over roughly six months, from August 2024 to January 2025, to develop new human rights and environmental impact indicators that reflect HD Hyundai Group's business characteristics and industry context. Through this process, it systematically derived a total of 296 detailed assessment questions. Using these indicators, the Company conducted due diligence at its headquarters and European subsidiary last year, and at HD Hyundai Marine Solution Tech (HMST) and its Americas subsidiary this year. Rather than merely meeting the minimum requirements of domestic law, the indicator system was enhanced to reflect international norms and global guidelines and to cover the entire supply chain, including upstream suppliers and conflict minerals.

The due diligence identified human rights governance, labor, and ethics as priority areas for improvement, and the Company has established specific improvement tasks and is implementing them step by step in order to manage these areas more systematically and effectively.

2025 Human Rights Impact Assessment Results





1) Excluded from assessment as not applicable

2025 Human Rights Impact Assessment - Results and Improvements

HD Hyundai Marine Solution is enhancing its overall human rights management framework and developing its Group-wide human rights impact assessment items to a greater level of sophistication in order to respond to the increasingly stringent global human rights regulatory landscape. Building on the results of its 2025 human rights impact assessment, the Company has redefined the areas requiring improvement, translated them into concrete action tasks, and reviewed and refined them continuously throughout the year. In particular, it manages these improvement tasks by timeframe—immediate, short-term, and mid-to-long-term—and determines each task's improvement priority based on its importance, urgency, and ease of implementation. Guided by the priorities derived from this assessment, the Company systematically manages and carries out its improvement tasks.

Results of 2025 Short-Term Improvement Tasks

Topic	Improvement Tasks	Improvement Status	Expected Outcomes
Human Rights Governance	• Enhance and manage the implementation of the human rights risk identification and response system, reflecting the results of the human rights impact assessment • Provide specialized training for staff dedicated to human rights management, and establish a system for regular review and improvement of the training programs • Improve transparency by disclosing human rights management progress and performance at least once a year	Completed	Enhanced transparency of human rights management
Labor	• Regardless of whether young workers are employed, codify the requirements of relevant standards in internal rules such as the human rights policy and employment rules • Reflect indicator requirements related to the protection of young workers in policies and regulations • Institutionalize pre-dispatch training and establish an operating framework for it	Completed	Strengthened legal and ethical standards
Safety and Health	• Codify, within the OSH policy and safety & health management regulations (safety management manual), the principles of legal compliance, maintaining the highest safety and health standards, and applying the strictest standards in emergencies • Reflect gender-sensitive measures to protect pregnant and nursing workers, and establish an HR-based system for reviewing duties and the work environment • Build a responsibility framework for chemical and MSDS management, and overhaul the overall MSDS management system, including obligations to obtain, provide, post, and train on relevant materials	Completed	Minimized legal risk; improved effectiveness of safety management
Ethics	• Build an integrated Group-wide training system by expanding personal data protection training to major affiliates • Operate specialized training programs by role and level for the Chief Privacy Officer and working-level staff • Establish a training-completion management and monitoring system, including completion-rate checks management of non-completers, and regular reporting	Completed	Reduced greenwashing risk; enhanced transparency of ESG activities
Supply Chain Management	-	Completed	Enhanced supply chain human rights accountability and management maturity
Environment	• Carry out activities to strengthen biodiversity conservation near worksites • Set measurable targets that account for relevant laws and monitor the degree of their achievement • Provide climate change and related environmental training to employees at least once a year	Completed	Raised employee environmental awareness; building sustainable relationships with local communities

Human Rights Management

Human Rights Risk Management

Human Rights Risk Mitigation Activities and Effectiveness Assessment

HD Hyundai Marine Solution identified areas requiring improvement and enhancement based on the results of the human rights management assessment conducted at its headquarters (GRC), established specific risk mitigation measures for each item, and has implemented them step by step. To ensure these improvement measures are effective, the Company has also established a management system that evaluates implementation outcomes and monitors them on an ongoing basis, thereby continuously strengthening its ability to put human rights management into practice.

Topic	Before	After	Risk Mitigation Action Plan	Affected Stakeholders	Risk Mitigation Measures & Effectiveness Assessment
Human Rights Governance	65	97	• Establish a human rights management declaration and policy • Publish a human rights management report • Train employees and dedicated staff	Employees, local communities	• Conduct human rights impact assessments (document review and on-site) at key worksites through an external organization
Labor	88	97	• Establish new management standards for young workers • Develop policies related to forced labor	Employees	• Operate a labor-management council once per quarter
Occupational Safety and Health	90	100	• Revise the OSH management policy • Enhance the hazard and risk assessment management process	Employees, suppliers	• Establish measures to address risk factors and a documented emergency response plan • Raise workers' level of safety awareness
Ethics	78	100	• Revise the Fair Trade Compliance Program (CP)	Employees, customers, suppliers	• Systematize policies on intellectual property protection and fair trade
Supply Chain Management	60	-	• Shared Growth Fund	Suppliers	• Managed jointly with HD Korea Shipbuilding & Offshore Engineering (KSOE)
Environment	81	100	• ISO certification, ESG campaign • Conduct environmental training	Employees, local communities	• Improve employees' ESG awareness; obtain global certification

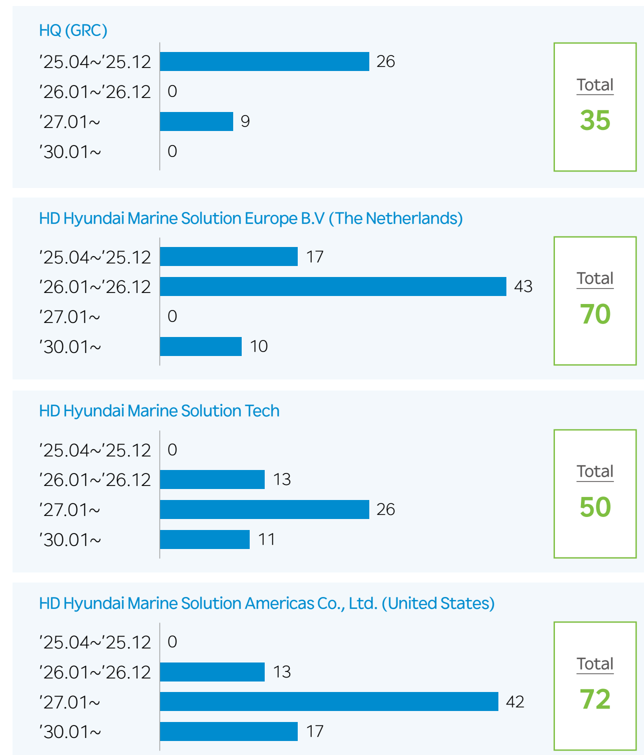
Human Rights Metrics and Targets

2025 Human Rights Impact Assessment Results

Location	Number of Improvement Tasks	Target	Achievement
HQ (GRC)	35	84%	100%
HD Hyundai Marine Solution Europe B.V (The Netherlands)	70	81%	85%

2026 Improvement Task Implementation Progress

(Unit: number of tasks)



Talent Management

Hiring

Talent Philosophy and Talent Acquisition Strategy

HD Hyundai Marine Solution conducts its recruitment process based on HD Hyundai's core values, focusing on selecting talent who share the organization's vision and can contribute to its long-term sustainable growth, moving beyond mere competency assessments. The entire hiring process is structured to evaluate alignment with the Group's core values while comprehensively reviewing candidates' key capabilities from multiple perspectives. Furthermore, the Company is dedicated to securing talent who can lead change and innovation, systematically offering post-hire training and career development programs to support their growth in line with the Group's values.

HD Hyundai Core Values

Innovation that leads the World	Fearless Challenge	Respect for One Another	Safety for All
We innovate our creative thinking and ways of working, and lead industrial innovation through future technologies.	We continuously push our limits to create new value, and build a culture of fearless challenge that embraces failure.	We respect one another's diversity and pursue open communication, respect and support employees' growth, and practice social responsibility to build a better world.	We strive for the highest safety standards for ourselves and, through safe products, promote the safety of our customers, society, and ultimately all of humanity.

Talent Recruitment Policy and Process

1 Document Screening	2 First-round Interview	3 Second-round Interview	4 Health Examination
Assesses an applicant's competencies based on their personal statement and comprehensively reviews their fit with the Company's ideal talent profile and the position applied for.	A process of comprehensively understanding the applicant's qualities and competencies from multiple perspectives through an interview based on the submitted personal statement.	Assesses in depth whether the applicant is the kind of talent who can lead the Company's growth and grow together with it.	A medical checkup at a company-designated medical institution to review the candidate's health status before joining and confirm they can perform the assigned role without impediment.

2025 Recruitment Activities | HD Hyundai Marine Solution is strengthening its recruitment branding around the message of being a fast-growing, young organization that is "a company that is discovered first by the right talent." Through industry–academia partnerships (MOUs) with specialized universities in shipbuilding and marine engineering, the Company operates field training, technical education, and engineer exchange programs to build a job-linked talent pool. It is also expanding engagement with future talent through CEO campus visits and campus recruiting activities. In addition, the Company enhances candidate experience and understanding of its business through job interviews and vlog content distributed via social media channels such as Instagram and YouTube. HD Hyundai Marine Solution operates open recruitment programs for entry-level talent and recruitment-linked internships. During the internship program, candidates' job competencies and organizational fit are comprehensively assessed through practical assignments and presentation evaluations. Furthermore, the Company reinforces the expertise and objectivity of its recruitment process by using job-based simulation questions and a peer interviewer system. Through a fair and transparent recruitment framework, HD Hyundai Marine Solution continues to foster a sustainable talent ecosystem.

Strategy for Improving Workforce Diversity

HD Hyundai Marine Solution has submitted an affirmative action implementation plan to expand workforce composition diversity and establish an inclusive and diverse workplace culture, and has established 2025 short-term diversity improvement targets based on this. The 2025 female worker ratio across all job categories was 23.09%[1], achieving the target of 13.7%. The Company has established the proportion of women in management positions as a core KPI for workforce diversity expansion and manages targets for promoting continuous women leader development. The Company has introduced quantitative evaluation criteria reflecting the level of increase in female manager ratio compared to the previous year, managing performance in a way that assigns 2.5 points if the female ratio among managers is 3% or more, 1.5 points if 1.5% or more, and 0 points if less than 1%. Through this, the Company encourages continuous expansion of the female manager ratio. Additionally, the Company is strengthening institutional foundations so that talent with diverse backgrounds can be fairly recruited and continue to grow, and is building a sustainable talent acquisition and development system from a long-term perspective along with creating a non-discriminatory employment environment.

1) Based on HD Hyundai Marine Solution's headquarters worksites and logistics centers

Detailed Strategies for Improving Workforce Diversity

1. Recruitment and Hiring	Assign female interviewers; recruit experienced female professionals
2. Performance Evaluation and Promotion	Specify disciplinary procedures for sexual harassment and sexual violence in HR regulations; specify gender-equality provisions in HR regulations; establish evaluation criteria during and upon return from maternity and parental leave
3. Education and Training	Provide gender-equality or diversity-value training for all employees; provide gender-equality training for interviewers; provide return-support training for those returning from parental leave; offer mentoring to strengthen female employees' capabilities; include women in the grievance handling department; provide leadership training for female managers; establish a plan to develop key female talent
4. Compensation Management and Gender Pay Gap	Specify equal-pay-for-equal-work provisions in HR regulations; analyze whether a gender pay gap exists between male and female employees

Targets for Improving Workforce Diversity

Category	All positions	Management positions
Total	589	104
Women	136	3
Percentage	23.09%	2.88%
Target	13.7%	7.16%
Target Year	2025	2026

2025 Global Recruitment Activities

Starting in 2025, HD Hyundai Marine Solution has been conducting global internship recruitment, bringing in talent of diverse nationalities—including from China, Taiwan, and Italy—to strengthen the organization's diversity and global capabilities. Through this, the Company is fostering an inclusive organizational culture that respects diverse cultural backgrounds and areas of expertise, and is enhancing its ability to respond to the global business environment.

Talent Management

Talent Development System

HD Hyundai Marine Solution Talent Management Direction and Key Initiatives

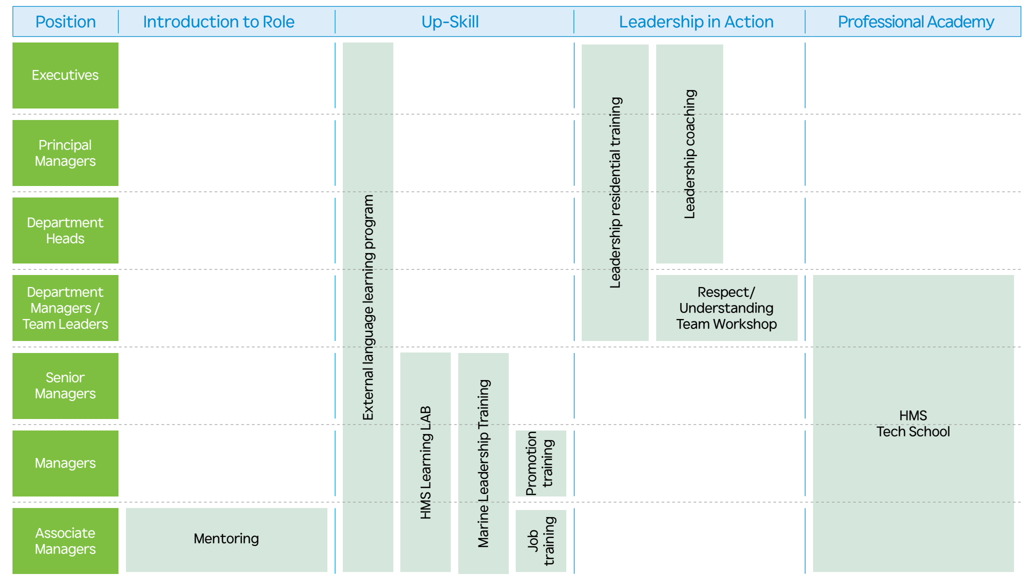
HD Hyundai Marine Solution pursues a systematic talent management strategy to create sustainable corporate value built on strengthening and growing its employees' capabilities. To this end, it advances talent management around three core directions. First, the Company is establishing a learning culture by encouraging employees' self-directed learning and expanding company-wide participation in training. Second, through a career development support system, it helps employees design growth paths aligned with their individual capabilities and career goals. Third, it operates leadership development programs to cultivate next-generation leaders and strengthen organizational competitiveness. By solidifying a virtuous cycle in which employees and the Company grow together, HD Hyundai Marine Solution aims to establish globally competitive talent management.

Expanding Training Participation & Learning Culture	Supporting Employee Career Development	Strengthening Leadership & Organizational Capability
1. Build a customized training system by gathering employee feedback	1. Advance training to strengthen job expertise and future competitiveness	1. Enhance leaders' self-understanding and teamwork skills
2. Foster a collaborative learning culture by energizing internal learning groups	2. Support certifications and language learning to improve ways of working through AI and strengthen job competencies	2. Improve organizational performance through communication and problem-solving capabilities
3. Provide systematic training support to cultivate global maritime leaders	3. Promote career growth by creating a self-directed learning environment	3. Run leadership programs centered on team workshops, 1:1 coaching, and residential training

Task	Task Objective	Key Details	Timing
Boosting Training Participation	Spread a company-wide culture of training participation, reflect learning needs, and strengthen collaborative learning within the organization	• Conduct a training survey of all employees • Run the internal learning group "HMS Learning LAB"	• March • March / July
Providing a Career Development Environment	Provide customized training to strengthen employees' job expertise and future capabilities, and create a self-directed career development environment	• Expand core-job special lecture content for new college graduates • In-house instructor training program • AI capability-building lectures • Support for obtaining certifications • Support for external language learning	• 6 times a year • May–Jul • October • Ongoing • Ongoing
Strengthening Leadership Capability	Enhance self-understanding and intra-team communication, foster problem-solving capabilities, and build a foundation for improving organizational performance	• "Respect and Understanding" team workshops • Leadership one-on-one coaching • Leadership residential training • Strengthening interviewer capabilities	• March • March–July • May–August • Within Q3

HD Hyundai Marine Solution Talent Development System

Talent Development System



2025 Employee Job Training Performance | HD Hyundai Marine Solution provides job-related training to foster future key talent and develop globally competitive employees. Through this, the Company systematically strengthens employee capabilities and improves corporate competitiveness.

Course	Description	Target Audience	Trainees
Basic Job Lecture	• Special lectures on five subjects—engines, vessels, DT (Digital Transformation), procurement, and sales—aimed at improving understanding of the company and building basic knowledge of core jobs	All employees	131
HMS Tech School	• In-house training to enhance employees' specialized knowledge of engines	All employees	28

Talent Management

Talent Development Programs

Talent Development Training Programs

Employee Competency Development | HD Hyundai Marine Solution operates a range of partner-based and external learning support programs to strengthen employees' language skills. Eligibility extends to all employees, including fixed-term workers, and the Company actively supports the enhancement of global capabilities and self-development through tailored programs such as telephone English, partner language academies, online and offline learning, and reimbursement of language-test fees.

Employee Academic Degree Support | To support employees' continuous capability development, HD Hyundai Marine Solution has operated a program since 2022 that provides tuition and leave support for those pursuing graduate studies. This establishes an institutional foundation for balancing work and study and encourages self-directed growth and the strengthening of expertise. The program is open to employees at eligible non-executive levels who have at least five years of career experience and two years of tenure, and selected employees receive a lump-sum subsidy covering 70% of their admission and tuition fees (up to a maximum of KRW 20 million). From 2022 to the present, a total of six employees have benefited from the program and have completed or are completing a degree.

Professional Certification Support | HD Hyundai Marine Solution operates a "Professional Certification Support" program to strengthen employees' job competencies and support their self-development. The program was established to promote employees' continuous growth and professional advancement and to spread a culture of voluntary learning. Eligibility extends to all employees, including fixed-term workers, who may apply primarily for professional certifications related to their respective roles. In 2025, a total of nine employees benefited from the program and have either completed or are in the process of obtaining a certification.

Retirement Planning Support | HD Hyundai Marine Solution operates a retirement planning support program so that prepare for a stable and fulfilling post-retirement life. It offers various forms of education to help employees prepare for new beginnings after retirement—including asset and health management, starting a business, and re-employment—and also provides personalized career consulting for retirees who wish to return to work.

Performance Evaluation & Compensation

Employee Evaluation and Reward System

HD Hyundai Marine Solution encourages employees to create performance through a fair performance evaluation and compensation system based on capabilities and achievements. The Company is also fostering an energetic work environment by cultivating an organizational culture in which recognition and encouragement are naturally embedded in everyday work. The Company operates a management performance bonus system for all employees, including executives. For employees in managerial positions, multi-rater (360-degree) evaluations are conducted, while both managerial and non-managerial employees set annual goals based on individual KPIs and are rewarded according to their level of achievement. Through this approach, HD Hyundai Marine Solution enhances employee motivation and a sense of accomplishment while supporting organization-wide performance creation.

Employee Reward System and Selection Process

Year-End Awards	HD Hyundai Marine Solution Person of the Year Award	Given to employees who have excellently practiced the Company's core values (innovation, challenge, respect, safety) over the year. By systematically identifying and recognizing examples of core-value practice, the Company shares value-practice approaches suited to each organization's character and works to spread positive behavioral standards company-wide. Winners are finalized through a company-wide employee vote and review by the deliberation committee.
	Best Challenge Award	Recognizes not only tangible and intangible results but also the effort invested in achieving them. Operated as a separate category to acknowledge and encourage employees who take on challenges to pioneer untrodden paths; winners are selected through a company-wide employee vote and deliberation committee review.
	Smart Care Award	Given to employees in Smart Care–related roles who have improved service quality and delighted customers through proactive, dedicated performance. Recommendations are submitted based on quality-improvement efforts throughout the project period while listening closely to the customer's voice, and winners are finalized through deliberation committee review.
	Best Culture Team Award	Given to all members of a team selected for sustained efforts to build an excellent organizational culture. Contributions to culture improvement are assessed using objective indicators; through this, the Company makes such efforts visible and seeks to spread, company-wide, a culture in which collaboration and performance reinforce each other.
Semi-Annual Awards	Core Value Practice Award	Given to employees who have outstandingly practiced the Company's core values (innovation, challenge, respect, safety) and contributed to strong performance. Candidates are confirmed through submitted recommendations, and final winners are selected via a company-wide employee vote and deliberation committee review.
	Hidden Hero Award	Winners are chosen through direct recommendation by leaders, to spotlight continuous contributions in less visible areas as well as explicit achievements. Recipients are selected by comprehensively considering not only performance but also efforts to improve ways of working and energize the collaborative culture.
	Energy-Up! Culture Award	A system in which colleagues directly nominate employees who have contributed to a positive organizational culture as award candidates. It is run to spread a culture of praise and recognition grounded in mutual respect and to strengthen a sense of belonging across the organization.
	Collaboration Point Award	HD Hyundai Marine Solution operates a system through which employees can send praise points to colleagues at any time, providing a way to directly express gratitude for colleagues' words and actions in everyday work. To encourage use of the system, the top senders and recipients are selected each quarter and recognized.

Performance Evaluation Process

	1	2	3	4	5	6
Managerial positions	Goal setting	Self-evaluation	1st / 2nd evaluation	E-Session (calibration)	Results disclosure / appeals	Final confirmation
Non-managerial positions	Record performance on the work management platform	1st evaluation (work performance / attitude)	2nd evaluation	E-Session (calibration)	Results disclosure / appeals	Final confirmation

Talent Management

ESG Through the Eyes of Our Employees

Q. What area do you feel has been growing most in importance regarding talent development recently?

A. Beyond simply providing training, building a learning and development framework that strengthens both employees' job expertise and future capabilities has become important. Self-directed career development is increasingly emphasized, and embedding a learning culture across the organization has emerged as a key task. There is also a focus on linking leadership development with strengthening organizational competitiveness. To support this goal, HMS launched an in-house instructor training program this year to share the hands-on experience and expertise of its employees across the organization while further enhancing the instructors' own professional capabilities. We also actively support leadership education and coaching for managers so the organization can grow through healthy leadership and communication.

Q. What job competencies or expertise do you think are growing in importance in the field?

A. Job expertise grounded in a basic understanding of engines and ships is becoming more important. In particular, comprehensive understanding and problem-solving skills connected to diverse business areas are required, and strengthening project execution capability through these is key. As cross-functional collaboration increases, the importance of communication skills and integrative thinking is also rising.

Q. What do you consider most important when running job-competency programs such as HMS Tech School?

A. For HMS Tech School, we place the highest priority on the practical relevance of the content so that job-specific expertise can be effectively strengthened. We systematically structure foundational and advanced courses that deepen understanding of core businesses such as engines, ships, and green solutions to maximize learning outcomes. Regularly reviewing participation and learning results to continuously improve the program is also an important factor.

Q. What should be strengthened most for a sustainable performance and reward system going forward?

A. Establishing a performance-based reward system grounded in fairness and transparency is important. A system that drives employee motivation by balancing organizational performance with individual contribution is needed. Continuous improvement toward strengthening performance-linked rewards and recognition programs to boost organizational engagement is also necessary.

Q. What changes regarding diversity and an inclusive organizational culture are you experiencing in the field?

A. HR practices grounded in diversity and fairness are being further strengthened. Talent from diverse backgrounds is entering the organization through varied recruitment channels and internal referral programs, and inclusivity within the organization is gradually expanding. A culture emphasizing mutual respect and open communication based on the "1on1 program" is also being progressively adopted in the field. Beyond this, to actively cultivate women leaders, we run HMS's own "W-LEAD" program in addition to the group-wide "HD Vision Academy." As interest in women leaders grows, the company is trying various programs at the corporate level.

Q. Which systems or activities do you feel are genuinely helping employee growth and engagement?

A. The "1on1 program" and leadership programs, fully implemented from 2026, are providing the most practical help. These programs increase communication between managers and employees, enabling them to better understand one another and collaboratively discuss the direction of their work, thereby significantly enhancing work engagement. The 2025 leadership programs were also run with a focus on communication, and participant satisfaction was high. In addition, the degree-attainment support, certification support, and external language-learning support programs serve as important foundations for employees' continuous capability development.

Q. What do you think should be strengthened most for sustainable talent management in the future?

A. It is important to further advance job-specific education systems based on in-house instructors' teaching and to strengthen an environment where employees can grow in a self-directed way. In particular, we must build a tailored talent development system that reflects the company's core values and future strategy to continuously strengthen organizational competitiveness. Systematic management for cultivating global talent and securing key talent is also an important task.

Interview with **Hye-rin Woo, Manager**, HR Support Department

Organizational Culture

Organizational Culture Improvement

Employee Welfare and Benefits System

HD Hyundai Marine Solution regards employees as the core human resource that serves as the foundation of corporate competitiveness, and operates a wide range of welfare and benefits systems so that all members can focus on work in a safe and comfortable work environment. The Company also provides a cultural and welfare guidebook for employees to effectively utilize the benefits system, providing instructions on how to use it and key benefits. Prioritizing employee health, the Company operates regular health examinations and health consultations, supporting employees to focus on work by promoting their physical and mental well-being. The Company also encourages use of flexible working hours and annual leave in consideration of work characteristics and individual situations. Furthermore, for domestic and overseas business trips, the Company provides accommodation fees, transportation fees, and travel allowances according to related systems and regulations to improve employees' business execution convenience.

The Company also operates job expertise strengthening programs and self-development support systems, and operates in-house clubs to strengthen bonds between members. The Company has also newly introduced and operates a living support welfare point system to provide practical help to employees' daily lives. Going forward, HD Hyundai Marine Solution plans to continuously expand welfare systems and build a sustainable work environment to establish itself as a great place to work for members.

HD Hyundai Marine Solution Welfare and Benefits System

Living Support	• Welfare points • Leisure Points (Masolsol) • Housing interest subsidy[1]	• Family card • Birthday gifts • Online welfare mall	• Vehicle maintenance support • Congratulatory/condolence event support • Real estate brokerage fee reimbursement	• Vehicle purchase discount
Childcare Support	• Maternity/infant care support • In-house Daycare Center (Dreamboat)	• Ulsan Daycare Center (Happyboat)	• Kindergarten/daycare tuition fee[1]	• Children's scholarship/education expenses[1]
Medical Support	• Medical expense support • Flu vaccination	• Comprehensive health checkup support	• General health checkup	• First-aid medicine
Leisure Support	• Accommodation and resort facilities	• Club activity expense support	• Leisure points (Masolsol)	
Education Support	• Language support • E-books	• Hi-Class • Support for work-compatible graduate school programs[1]	• External training participation support	• Professional certification acquisition support
GRC Welfare	• In-house cafeteria support (breakfast, lunch, dinner) • In-house gym (HI-GYM)	• Asan Hall wedding program (reasonable wedding costs for employees)	• GRC in-house counseling center (in-person/non-face-to-face free counseling, psychological testing)	• Massage chair (MY BALANCE)
Work Support	• Domestic business trip policy • Overseas business trip policy	• Hub office/group business sites • Parking support (in-house events) ·Car-sharing (SOCAR) support	• Mobile company app • OMO DAY[2]	• Various attendance programs (half-day, quarter-day leave, reserve forces duty, etc.)

1) Applicable benefits vary by employment type and internal criteria 2) On My Own Day: Leader-Free Day

Organizational Culture Diagnosis

HD Hyundai Marine Solution continuously makes efforts to build a corporate culture that can systematically identify areas requiring improvement within the organization and improve employee engagement through organizational culture diagnosis. The Company checks the overall organizational culture through the organizational culture diagnosis survey 'HMS Chemistry Test' targeting headquarters employees.

Through workshops where the diagnostic results are shared with employees, the Company discusses the strengths and areas for improvement of each organization based on these results. Going forward, the Company will continue its improvement efforts to establish a healthy, employee-centered organizational culture.

HMS Chemistry test Question Composition

2025 HMS Chemistry test Survey Participation Rate and Results | The 2025 HMS Chemistry test survey participation rate was 77%, and the positive response rate for overall organizational satisfaction was 59%. This is a 19%p increase from 2022 (40%). In particular, high positive awareness was confirmed company-wide for items including 'recognition of self-work value,' 'company recommendation intention,' and 'experience of receiving praise and encouragement.'

Organizational Culture

Organizational Culture Improvement

Appropriate Wage and Working Condition Guarantee

HD Hyundai Marine Solution operates fair wage payment and healthy work environment creation as core principles to ensure employee livelihood stability and rights protection. The Company complies with statutory working hours of each country where it operates businesses and transparently pays all employees appropriate remuneration corresponding to their work along with pay slips. The Company maintains compensation levels exceeding living wage standards[1] for all employees and continuously monitors gender pay indicators to identify and address any wage disparities that may arise from differences in job grade or tenure between genders.

Furthermore, the Company conducts regular evaluations with wages and welfare benefits as major indicators, continuously checking employees' working conditions and compensation levels. Working hour limits and prohibition of night and overtime work for minors are specified in the human rights management policy and employment regulations, statutory overtime limits are complied with, and long-term working hour improvement measures are formulated to promote work environment improvement.

1) 2025 Seoul living wage standard: KRW 11,779/hour

Family-friendly System Operation

HD Hyundai Marine Solution operates a selective working hour system for a family-friendly work environment, and implements various employee support systems including a monthly 'Leader-Free Day,' and workation. As a result of these efforts, the Company has obtained and maintains family-friendly certification.

The Company also operates systems to support childbirth and childcare. In accordance with statutory standards, the Company provides paid parental leave of up to 1 year and 6 months, and provides 30 days of paid special maternity leave for childbirth support. The Company also operates an on-site daycare center and pays KRW 500,000 per month for 3 years as childcare support funds to employees with preschool children aged 4–6.

In addition, the Company has introduced a system supporting childbirth safety insurance for pregnant employees, and has established nursing facilities at business sites to create an environment where employees can continue working stably even after childbirth. HD Hyundai Marine Solution plans to continuously expand institutional support for work-life balance and strengthen the family-friendly childbirth and childcare support system going forward.

Gender Pay Gap Indicator Monitoring[2]

	2024	2025
Managerial positions[3] (base salary)	-[5]	49.7%
Managerial positions (base salary+bonus)	-[5]	44.3%
Non-managerial positions[4]	64.1%	66.2%

2) Female-to-male wage ratio
3) Managerial positions: Based on regular employees, department head/team leader level
4) Non-managerial positions: Based on regular employees, assistant manager/staff level
5) As there were no female employees in managerial positions, the female-to-male pay ratio could not be calculated

Leave Utilization status

	2024	2025
Childcare Leave	1 employee	5 employees
Maternity/Paternity Leave	18 employees	26 employees

Family-Friendly Certification
(Korean Government Certification)

Recipients:
HD Hyundai Marine Solution

Effective Period:
December 1, 2025 - November 30, 2027


가족친화인증서

Organizational Culture

Organizational Culture Enhancement Activities

"Change Agent" Operation

HD Hyundai Marine Solution established and operated an organizational culture Task Force for corporate culture innovation since 2023. This TF is composed of Change Agents (change management officers), and has been systematically promoting organizational culture improvement activities by sharing major activity results through regular meetings.

2026 "Change Leader" Activity Targets

HD Hyundai Marine Solution is ending Change Agent activities in 2025 and plans to operate a CL (Change Leader) system starting in 2026 to cultivate leaders who will lead organizational change. CLs are a group of employee leaders who lead organizational culture improvement and change management activities, strengthening execution capabilities through group-based activities and group-leader-centered operations. The Company also plans to conduct HD Hyundai common missions linked to organizational change management activities once per year, continue organizational culture innovation through CL-led program planning/operation and company-wide change management activity promotion.

2025 Change Agent Activity Results

Throughout 2025, HD Hyundai Marine Solution conducted monthly organizational culture improvement activity result reporting to collect employee feedback from each organization. Through this, the Company reviews the progress of in-house corporate culture improvement activities, while continuously pursuing diverse organizational culture improvement activities by reflecting feedback and suggestions shared by CAs during the process.

Cultural Outing

HD Hyundai Marine Solution continued operating its in-house outing program in 2025 to strengthen bonds among employees and enhance communication across the organization. Offering diverse courses around popular local attractions such as Jamsil Hangang Park, Seoul Forest, Changdeokgung Palace, and Cheonggyecheon Stream, the program was designed to bring together employees of different organizations, job grades, and generations. With about 30 employees participating, the program created an open communication atmosphere, fostering a sense of belonging and cohesion within the organization.
The Company also broadened opportunities for employees of diverse backgrounds to participate together, and will continue to operate an inclusive program environment where more people can join.

HMS Mini Game

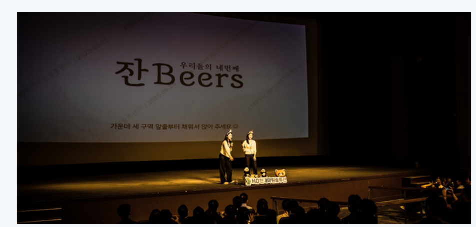
HD Hyundai Marine Solution hosted HMS Mini Game events to internalize the organization's core values and activate communication among members. The event was planned as a participation program for employees to freely interact and experience 4 core values including innovation, respect, challenge, and safety. All employees regardless of position, job title, and department participated together, creating an environment where members could freely communicate, helping to lower barriers between organizations and strengthen cohesion within the organization.

Volunteer Kit Making

HD Hyundai Marine Solution conducted Volunteer Kit Making activities, a unit participation program to strengthen teamwork and activate communication among employees. The program was run as a hands-on activity in which members hand-sewed cushions together, and it was designed so that they could naturally exchange opinions and build a sense of connection during the collaboration process. The cushions produced were sold through a social enterprise Goodwill Store, with all proceeds used to maintain employment of workers with disabilities. HD Hyundai Marine Solution plans to strengthen member communication and cohesion and foster a positive organizational culture through diverse organizational culture programs where employees can actively participate going forward.

Jan Beers

HD Hyundai Marine Solution operates various exchange programs to activate communication among employees and foster a positive organizational culture. Through participation-based activities, the Company strengthens collaboration and bonds within the organization and is creating a more flexible and energetic work environment.
On September 25, 2025, the 4th 'Jan Beers' event was held where all employees gathered to share time for communication and networking. The event played a meaningful role in strengthening bonds among members and enhancing a sense of unity.



Organizational Culture

Organizational Culture Enhancement

Town Hall Meetings

HD Hyundai Marine Solution is systematically expanding communication with employees through town hall meetings where the CEO and major management participate. Based on this, the Company shares management direction and core strategies with members and establishes an organizational culture based on trust and collaboration.

CEO Town Hall Meetings (Management Briefing) | HD Hyundai Marine Solution held a CEO Town Hall Meeting in February 2025, sharing major management status including annual plans and performance and achievement rates by business. Additionally, the Company explained future management directions, business prospects, and key promotion tasks, and provided time to answer employee questions through Q&A sessions to strengthen two-way communication with members.

Global Communication Program

In 2025, HD Hyundai Marine Solution operated a training program for overseas subsidiary excellent employees to visit headquarters. This program was arranged to improve global members' understanding of headquarters businesses and work, and to contribute to forming organizational culture unity by promoting mutual understanding and bonds through cultural and organizational exchanges.

16 employees selected from overseas subsidiaries in each country participated in division-specific training and job-specific communication workshops to deepen understanding of current work and actively exchanged opinions on matters they had been curious about. It also became an opportunity for overseas subsidiary and headquarters employees who had been communicating mainly by email to meet in person, exchange diverse opinions, and improve mutual understanding and form trust. Through the global communication program, HD Hyundai Marine Solution is contributing to improving collaboration efficiency and establishing an organizational culture that strengthens members' sense of belonging and unity.

Participant Feedback

“This program was a meaningful opportunity to directly understand how headquarters operates and actually meet colleagues we had closely collaborated with. We were able to communicate with headquarters employees through various seminars and programs, and I believe it will be of great help in performing future work”

“This was my first visit to the Korean headquarters while working at the Singapore office, and face-to-face communication deepened understanding of collaboration and greatly strengthened my sense of belonging to the Company. It was a time to better understand each other's roles and challenges through sharing ideas and in-depth discussions about work processes with headquarters colleagues.”

Labor-Management Relations

Promotion of Labor-Management Culture and Communication

HD Hyundai Marine Solution holds quarterly Labor-Management Council meetings in accordance with its Labor-Management Council Regulations, that operate in a manner similar to a collective agreement. To facilitate smooth communication with employees, the Company accepts agenda items on an ongoing basis through direct communication channels and the intranet bulletin board. Submitted matters are consolidated and discussed quarterly, and the outcomes are shared with employees. Through this process, the Company strengthens two-way communication between management and employees and continues discussions to address employee concerns and incorporate their feedback into improvement initiatives. In 2025, the Labor-Management Council discussed a total of 22 agenda items, and the results were shared transparently with all employees. Going forward, the Labor-Management Council will continue to serve as a communication channel that collects employee needs and conveys them to the Company. Through strengthened safety and health measures and improvements to the working environment, HD Hyundai Marine Solution aims to create a better workplace for all employees.

Key Agenda Items of the 2025 Labor-Management Council

Quarter	Total Issues	Resolved Issues	Agenda Details	
			Key Issues	Improvement Measures
Q1	5	1	• Employee welfare programs (Including improvements to office environment and IT infrastructure) • Domestic/overseas business trip support program improvement	• Enhancement of employee welfare programs, including the planned replacement of initial furnishings and supplies upon GRC occupancy
Q2	6	2	• Domestic/overseas business trip expense support program improvement	• Business trip expense support program improvement
Q3	5	1	• Employee welfare programs (introduction of a sabbatical leave program, etc.) • Domestic/overseas business trip support program improvement	• Agreement to reimburse expenses upon submission of receipts for business trips to onboard work sites where meals are unavailable
Q4	6	5	• Employee welfare programs (maintenance fees, etc.) • Domestic business trip support program improvement	• Provision of winter clothing, air purifier maintenance management, etc. • Relaxation of domestic business trip accommodation standards

Supply Chain

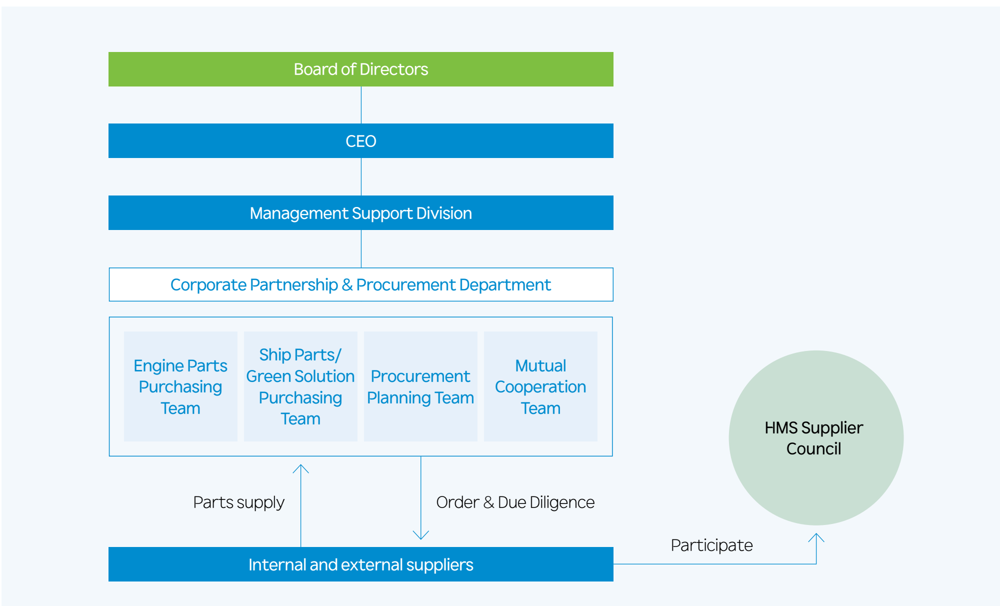
Supply Chain Governance

Supply Chain Management System

HD Hyundai Marine Solution is enhancing its co-prosperity structure with suppliers while systematically managing its value chain to build a sustainable supply chain. The ESG Committee under the Board of Directors receives reports on major issues arising in the supply chain ESG risk management process, and the CEO and Management Support Division regularly monitor suppliers' concerns and business challenges and oversee the promotion of shared growth activities. The Corporate Partnership & Procurement Department, which handles operations, performs all supply chain operating tasks from supplier new registration to selection and evaluation, and the 'Supplier Council' is composed and operated based on criteria including trading period, trading volume, and parent company recommendation status.

In addition, the Mutual Cooperation Team was newly established in 2024, and that department directly visits suppliers on a regular basis to understand overall issues and status.

Supply Chain Management Organization Chart



Supply Chain Strategy

Sustainable Supply Chain Policy

Sustainable Supply Chain Policy

Under the vision of 'Green Solutions Toward Sustainable Future,' HD Hyundai Marine Solution has established a sustainable supply chain policy to create a healthy corporate ecosystem based on co-prosperity with suppliers. This policy specifies supporting suppliers in strengthening their capabilities in all areas of human rights, safety and health, environment, and ethics, while systematically identifying, assessing, and managing ESG risks across the supply chain. In particular, to prevent human rights violations and environmental damage that may occur in the mineral mining process, a separate 'Conflict Minerals Policy' has been established, and a responsible management system is operated based on the US Dodd-Frank Financial Reform Act disclosure requirements, OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and EU Conflict Minerals Regulation. The Company also intends to notify suppliers of related policies and requirements and request compliance, to transparently manage whether conflict minerals mined in high-risk areas are used across the value chain.

Supplier Code of Conduct

Supplier Code of Conduct

HD Hyundai Marine Solution separately established and operates a Supplier Code of Conduct for suppliers to follow to establish a healthy and sustainable supply chain. The Code of Conduct is based on international standards including the UN Universal Declaration of Human Rights, UN Convention on the Rights of the Child, and ILO Core Conventions, and is recommended to apply equally not only to Tier 1 suppliers but to the entire supply chain including Tier 2–3 suppliers.

Furthermore, by transparently disclosing supply chain management principles and supplier implementation obligations through an integrated procurement system, and by notifying in advance that compliance checks and field due diligence may be conducted in cooperation with external audit organizations, the Company is building an effective supply chain management system.

ESG Management Areas in the Supplier Code of Conduct

Respect for Human Rights	Safety and Health	Environment	Ethics	Management
• Prohibition of discrimination and harassment in employment • Guarantee of freedom of association and collective bargaining • Protection of young workers • Provision of wages and benefits • Protection of the human rights of local communities • Protection of vulnerable groups (women, children, the elderly, persons with disabilities, foreign workers, etc.)	• Establishment of a safety and health management system • Emergency response • Industrial accidents and diseases • Safety inspections • Safety management of machinery and equipment • Health management • Safety and health communication	• Establishment of an environmental management system • Efficient use of resources and green procurement • Management of air and water pollutants • Water resource management • Chemical management • Management of energy use and GHG emissions • Biodiversity conservation	• Ensuring transparency in business transactions • Creating a fair trade environment • Disclosure and protection of information • Identity protection and retaliation prohibition • Export/import control and customs clearance	• Autonomous and independent decision-making and improvement • Stakeholder Communication • Responsible supply chain management • Risk management • Employee grievance handling

Supply Chain

Supply Chain Strategy

Four Fair Trade Guidelines

HD Hyundai Marine Solution has established and operates a policy framework to realize a sustainable co-prosperity ecosystem that grows together with suppliers based on the co-prosperity spirit of 'going further together.' This goes beyond simple co-prosperity activities and is based on a direction to preemptively secure supply chain stability amid climate change and various domestic and overseas potential risks, and to simultaneously realize stakeholder value improvement and corporate social responsibility. The Company has also established clear standards and principles applicable throughout transactions based on the Fair Trade 4 Guidelines, managing so that fairness and transparency are naturally internalized in the transaction process with suppliers. Through this, the Company aims to create a predictable transaction environment based on mutual trust and establish a healthy transaction culture.

Four Fair Trade Guidelines

Practical matters for desirable contract conclusion	Practical matters for fair supplier selection (registration)
Standards and procedures to ensure fair and transparent contract formation, with regulations ensuring rational and fair transactions at the time of contract conclusion	Regulations providing fair transaction opportunities through transparent supplier selection
Internal deliberation committee establishment and operation	**Practical matters for desirable document issuance and preservation**
Regulations related to deliberation prioritizing legality when concluding contracts above certain amounts with suppliers	Regulations related to preparation of standard formats for various documents, priority issuance, and preservation of materials

Shared Growth Communication Activities

Establishing Communication Channels with Suppliers | HD Hyundai Marine Solution operates a regular communication system with supplier to meaningfully promote shared growth and win-win cooperation. In 2025, the Company held quarterly 'Supplier Dialogue Sessions,' directly visiting major suppliers, sharing delivery performance, and jointly discussing areas requiring improvement and excellent improvement cases. The Company also strengthened communication so that voice of customers could be collected for effective field-centered opinion exchanges. In addition, the Company annually holds the 'Supplier Council' to share HD Hyundai Marine Solution's management plan and industry prospects, and introduces co-prosperity programs for sustainable management across the supply chain. Through 'Shared Growth Day,' the Company also provides a communication forum for practitioners to receive information on annual delivery performance and excellent performance rewards, share industry trends and business plans, and listen to suppliers' difficulties and suggestions.

These series of communication activities serve as a foundation supporting suppliers' management stability and capability strengthening, playing an important role in forming long-term trust-based partnerships between HD Hyundai Marine Solution and suppliers. Going forward, the Company plans to further solidify communication and collaboration frameworks with suppliers with the goal of advancing ESG performance and sustainable growth together.

Supplier Council

Date	Communication Topics	Attendees
2025.01.21	• HMS management plan and market overview • 2024 Outstanding Supplier Award Ceremony	49 suppliers

Shared Growth Dialogue Session

<table>
<tr><th colspan="2">Category</th><th>Date</th><th>No. of Suppliers</th><th>Communication Topics</th><th>Grievances/Suggestions</th></tr>
<tr><td rowspan="2">Shared Growth Dialogue</td><td>Q1</td><td>2025.02.05 (Official letter issued in lieu of a meeting)</td><td>10 companies</td><td rowspan="2">• Delivery (lead-time) management internalization and digitalization announcement
• HIPRO system data-entry training and announcement
• Key delivery management indicator sharing
• Delivery schedule improvement requests
• VOC and suggestions</td><td>-</td></tr>
<tr><td>Q2</td><td>2025.04.28 ~ 2025.06.02</td><td>21 companies</td><td>• HIPRO overall management improvement (reflecting lead times in the systems, etc.)
• Packaging cost reflection request (export box unit price not applied)</td></tr>
</table>

Shared Growth Day

<table>
<tr><th>Date</th><th>Key Issues</th><th>Participating Companies</th><th>Grievances/Suggestions</th></tr>
<tr><td>2025.02.20</td><td rowspan="2">• HMS management plan and shared growth program overview
• Delivery management system overview</td><td>31 suppliers</td><td rowspan="2">• POR lead time adjustment request
• System improvement request
• Inbound receiving/logistics related requests
• Other VOC</td></tr>
<tr><td>2025.02.27</td><td>33 suppliers</td></tr>
</table>

Supplier Council and New Year's Meeting

2025 Shared Growth DAY

Supply Chain

Supply Chain Strategy

Supplier Support Systems

Supplier Financial Support | HD Hyundai Marine Solution provides continuous financial support, including early payment of dues and stable cash-flow assistance, to grow together with its suppliers. In 2025, the Company made early payments to 224 suppliers ahead of the Lunar New Year holiday and 242 suppliers ahead of the Chuseok holiday. Ahead of the 2026 Lunar New Year holiday, it also paid out approximately KRW 17.3 billion in advance materials payments to ease suppliers' cash burden. In addition, for domestic suppliers, the Company supports healthy cash flow management by paying delivery dues within 50 days. Furthermore, in January 2026, it signed a business agreement with IBK (Industrial Bank of Korea) to establish the "Supply Chain ESG Shared Growth Fund," and through this KRW 30 billion fund, it has been providing suppliers with loans and preferential interest rate benefits since January 2026. Through these financial support policies, the Company strengthens the financial soundness of its suppliers and contributes to enhancing the overall sustainability of its supply chain.

Early Payment to Suppliers Before National Holidays

Category	Currency	Unit	2023	2024	2025
Early Payment	KRW	million	11,821	8,265	17,327
	USD	10,000	42	73	176

Online Supplier Job Posting Operation | HD Hyundai Marine Solution operates an online recruitment platform to ease the workforce management burden on its suppliers and strengthen the foundation for mutual growth. The Company has established a support system that enables suppliers to post job openings easily and improve the efficiency of talent acquisition. In 2025, the platform was expanded to suppliers that had entered into cooperation agreements with the Company. In addition, through its partnership with Workspeer (formerly JobKorea), job postings by suppliers are also displayed on the HD Hyundai Marine Solution Group page. This enables suppliers to enhance their corporate credibility and visibility while strengthening their recruitment competitiveness.

Supplier Online Recruitment Platform

Supplier Rewards | HD Hyundai Marine Solution operates a systematic reward system annually to encourage suppliers' efforts and performance and induce ESG capability strengthening. Reward targets are selected based on the standard supplier rating evaluation regulations, and evaluation items applied at the Supplier Council consist of a total of 5 areas including ESG, quality, delivery compliance rate, safety, and security. In 2025, 5 suppliers were selected as excellent suppliers and received awards according to these standards. In addition, quarterly rewards are operated based on practical evaluation items centered on delivery compliance rate and cooperation level, and 4 suppliers are selected and awarded each quarter.

Category	Award Criteria	No. of Awarded Companies	No. of Award Recipients
Supplier Council	Point system (quality/delivery compliance/ESG/safety/security)	5 companies	5 persons
Quarterly Awards (Q1/Q2/Q3/Q4)	Point system (delivery compliance and cooperation level)	16 companies (4 companies per quarter)	32 persons (8 persons per quarter)


Quarterly Supplier Reward (25.1Q)


Quarterly Supplier Reward (25.2Q)


Quarterly Supplier Reward (25.3Q)

MOU on Joint ESG Supply Chain Management | HD Hyundai Marine Solution, together with HD Korea Shipbuilding & Offshore Engineering and its shipbuilding affiliates, has been building a collaborative system by promoting a "Joint ESG Supply Chain Response for Small and Medium-sized Shipbuilding Enterprises" with the Korea SMEs and Startups Agency since 2023. Through this, the Company supports improvement by providing ESG assessments and expert consulting to suppliers in the shipbuilding sector. In 2025, it conducted ESG diagnostics including on-site inspections for 9 suppliers under group-affiliate supervision, reviewing their management capabilities and deriving directions for improvement. The Company also plans to provide training in 2026 to strengthen the ESG management of its suppliers.

Supplier Grievance Handling System

HD Hyundai Marine Solution operates a supplier grievance handling system to more transparently protect the rights of supply chain members and create an environment where stakeholders can comfortably raise issues. This system ensures that all supply chain stakeholders including employees, suppliers, and customers can freely raise issues, and is strictly managed so that no disadvantage or retaliation occurs to whistleblowers under the principle of anonymous reporting and confidentiality. Received grievances are handled after designated personnel conduct related department review and fact confirmation, and if necessary, are connected to corrective actions and improvement activities. Through this, the Company is building a trust-based communication system where stakeholder voices can lead to actual improvements.

Supplier Grievance Handling Process

1. Receive grievance
2. Assign responsible committee member
3. Review covering all relevant areas
4. Verify details and facts
5. Derive review results
6. Provide information and support if necessary

2025 Supplier Grievance Handling

Supplier Grievance Reporting Channels

Reporting channels	No. of grievances received	No. of grievances handled	Handling rate
Website, supplier dialogue sessions	0	0	-

Supply Chain

Supply Chain Risk Management

Supply Chain Risk Assessment Management System

HD Hyundai Marine Solution operates an integrated risk assessment system covering financial conditions, supply stability, and ESG factors simultaneously to secure both supply chain stability and sustainability. The Company also manages risks across the supply chain jointly in connection with HD Korea Shipbuilding & Offshore Engineering and shipbuilding affiliates, building a more integrated management system. Regular and ad hoc assessments are conducted for Tier 1–3 suppliers classified according to their level of importance, comprehensively evaluating a range of criteria, including financial soundness, delivery performance, quality, innovation capability, and the implementation of environmental and social responsibility. In addition, the Company operates an annual planned procurement program as of year-end, with planned procurement totaling approximately KRW 67 billion, accounting for approximately 20% of total procurement. Through this, supply stability for major materials and items is secured in advance, and supply chain risks are proactively managed. Based on assessment results, customized measures are implemented including trading condition adjustment, improvement requests, alternative supplier securing, and incentives for excellent suppliers, and sanctions in accordance with internal standards are also applied if necessary. Going forward, HD Hyundai Marine Solution will continue to systematically manage supply chain risks based on co-prosperity with suppliers and continue building a sustainable value chain.

Supply Chain Risk Management Overview

Category	Financial Evaluation	Supply Risk Assessment	Rating Evaluation (ESG, innovation, quality, delivery, etc.)
Target	Tier 1 to Tier 3	Tier 1	Tier 1 to Tier 3
Type	• Regular financial evaluation • Ad-hoc financial evaluation • Detailed due diligence	• Assess potential risks such as reputation (company/management), accidents/disasters, and supply delays by impact and urgency to set priorities	• Regular annual evaluation
Led by	• Corporate Partnership & Procurement Department • External credit rating agencies	• Corporate Partnership & Procurement Department	• Corporate Partnership & Procurement Department • Safety Management Team • ESG Team • Quality Management Team
Response and Support	• Take actions such as terminating transactions with lowperforming suppliers • Provide financial support such as shared growth funds	• Develop response measures at the purchasing, departmental, divisional, and company-wide levels • Renew Tier 1 supplier list annually and establish countermeasures	• Reward outstanding suppliers • For suppliers rated 'D' or below, take actions in accordance with the "rules on sanctions against non-compliant suppliers"

Supplier Selection and Registration Process

HD Hyundai Marine Solution classifies and manages suppliers by type comprehensively considering business impact, supply item characteristics, and trading volume. In particular, from the stage of new supplier registration, multi-dimensional assessments covering self-evaluation as well as quality, management, finance, safety, and ESG factors are conducted. ESG grade evaluation reflects environmental, social, and governance factors, and bonus points are given to suppliers that have undergone supply chain ESG due diligence (written or in-person) in the supplier rating evaluation process. Moreover, the supplier new registration and operation regulations clearly stipulate that only suppliers that receive a qualifying judgment in all items can be registered as suppliers.

Through such procedures, the Company operates a supplier pool where only suppliers with comprehensive capabilities including financial soundness, safety management levels, and ESG implementation capabilities can commence transactions, and plans to gradually expand customized support and management activities by supply chain type to promote the broader adoption of ESG management across the supply chain.

ESG Management Requirements and Support by Supply Chain Type

Tier 1, 2 Small & Medium Suppliers	• Establishing execution organization: led by CEO or executive director • ESG evaluation indicators - Environment: energy usage, carbon emissions, etc. - Social: industrial accidents, training status, etc. - Governance: board operation status, regulatory violations, etc.
Tier 1, 2 Medium Suppliers	• ESG information disclosure - Sustainability report publication - Third-party verification of disclosed information
All Suppliers	• ESG strategy formulation - External environment, laws and regulatory trend analysis and sharing

Supply Chain

Supply Chain Risk Management

Supply Chain Risk Assessment Results

HD Hyundai Marine Solution conducted desk-based ESG assessments for 208 domestic and overseas suppliers in 2025 to check management levels across the supply chain. As a result of the assessment, some suppliers were identified as high-risk and classified as high-priority suppliers subject to intensive management. These suppliers subsequently underwent in-depth ESG assessments in collaboration with external specialist organizations, including the Korea SMEs and Startups Agency. In particular, conducting precise diagnosis including field due diligence for 9 suppliers resulted in derivation of areas requiring improvement in fundamental management foundations in each ESG area.

Accordingly, HD Hyundai Marine Solution recognized the possibility of actual or potential negative environmental, social, and governance impacts within the supply chain, and particularly judged the absence of GHG management systems in the environmental area as a major risk factor, recommending those suppliers to establish and implement improvement plans. Meanwhile, no business sites causing significant negative social impacts were identified through this diagnosis. HD Hyundai Marine Solution will continue to constantly check ESG risks across the supply chain and plans to support actual ESG management capability improvement of suppliers through monitoring of improvement implementation along with training and material provision. In response to the rapidly expanding ESG standards across the supply chain, the Company plans to continuously strengthen more structured support activities so that suppliers' management capabilities can actually improve.

Supply Chain Risk Assessment Result

No. of suppliers completed written assessments	2024	173	2025	208
No. of suppliers identified risks	2024	9	2025	9
No. of suppliers completed on-site assessments	2024	9	2025	9

Supply Chain Risk Assessment Improvement Tasks

Environment	Society	Governance
• Monitor and manage environmental performance • Manage GHG emissions and energy use	• Establish social policies such as industrial accident prevention • Operate stakeholder communication channels	• Establish ethical management principles • Identify systems and regulatory trends related to ethical management

Supply Chain Metrics and Targets

Supply Chain Management Targets

HD Hyundai Marine Solution recognizes shared growth with suppliers as a core pillar of its corporate growth strategy, and has established a Shared Growth Roadmap to build a virtuous cycle in which the Company's growth and suppliers' competitiveness enhancement drive each other forward. For small and medium-sized suppliers, the Company operates on a principle of cash payment to support liquidity and has been operating a Shared Growth Fund since January 2026, funded by returns on fund management, to ease suppliers' financing cost burden. The fund will be operated targeting suppliers with outstanding technological capabilities and growth potential that have received the Company's recommendation, and has been established at a scale of KRW 30 billion in collaboration with IBK Industrial Bank of Korea. Furthermore, the Company comprehensively manages supplier-related grievance and complaint handling procedures based on the Group's ethics management system, and conducts on-site quality guidance to strengthen quality capabilities during supplier quality inspection processes. The Company plans to expand the scope of these support activities to establish a comprehensive shared growth support framework encompassing ESG capability enhancement for suppliers. In addition, HD Hyundai Marine Solution has previously conducted on-site visits to suppliers centered on respective personnel in charge when individual issues such as delivery and quality arose. Going forward, the Company intends to go beyond this operational approach by establishing a separate visit framework from a shared growth perspective to comprehensively identify difficulties and needs experienced by suppliers, and systematically reflect the collected feedback in future operational improvements and support policies.

Shared Growth Roadmap | HD Hyundai Marine Solution has systematically implemented the initiatives established under its Shared Growth 1.0 Roadmap and has completed all planned actions for the relevant phase. Under the Shared Growth 2.0 and 3.0 Roadmap phases, the Company plans to develop additional support programs that provide practical benefits to its suppliers. It will also actively gather suppliers' input on the types of support they need and reflect their feedback in the planning and operation of these programs.

Shared Growth 1.0 (~2025)	Shared Growth 2.0 (~2026)	Shared Growth 3.0 (2027~)
Creating a Fair and Transparent Trading Environment	Supplier Support for Mutual Cooperation	Strengthening Supplier Competitiveness, Sustainable Shared Growth
• Adopting and applying standard subcontract agreements • Introducing and operating product unit price linkage system • Employee legal and regulatory compliance training • Adopting and operating the Four Practices for Fair Trade • Establishing shared growth fund	• Operating shared growth fund • Promoting shared growth seminars • Mutual cooperation fund establishment and operation • Expanding and promoting productivity and management innovation activities • Publishing and distributing shared growth brochures	• Recruitment selection support programs • Human resource development (training and education support, etc.) • Free safety equipment support • Conducting supply chain ESG assessments for major suppliers

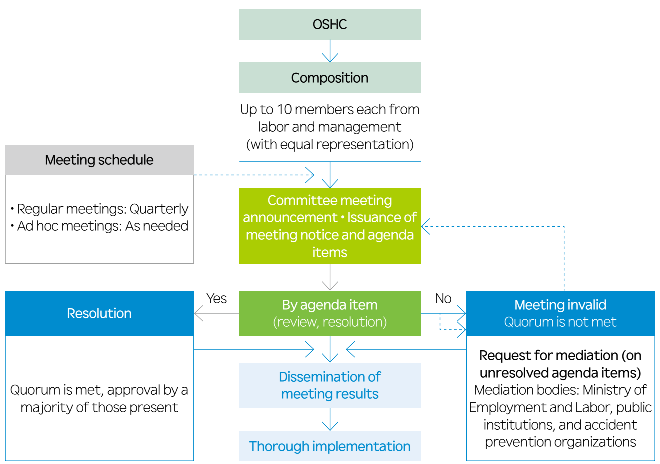
Safety and Health

Safety and Health Governance

Occupational Safety and Health Committee

HD Hyundai Marine Solution operates an Occupational Safety and Health Committee to proactively manage industrial accident and serious accident occurrence risks, and to efficiently deliberate and resolve major safety and health-related issues. The Occupational Safety and Health Committee is a joint labor-management body composed of 5 employer members and 5 worker members, performing the role of discussing the Company's overall safety and health policies and implementation tasks based on mutual cooperation. The committee regularly reviews core safety and health issues including annual safety and health plan formulation for industrial accident prevention, safety and health training for workers, and work environment inspection and improvement, and meeting results and key discussion items are shared with all employees along with related materials to improve safety and health management transparency. In 2025, annual safety and health plan operation status and safety and health training completion performance were submitted as key agenda items to check the Company's overall safety and health management level and discuss continuous improvement directions.

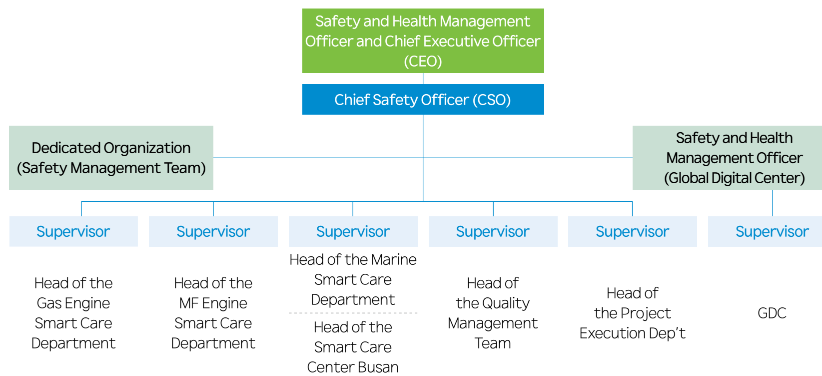
Occupational Safety and Health Committee Operational Flowchart



Safety and Health Management System

HD Hyundai Marine Solution has set safety as the top management priority, establishing a dedicated safety and health organization – the 'Safety Management Team' – directly under the Chief Safety Officer (CSO) in 2022, laying the foundation for systematic safety management. In 2023, the Company formulated a vision, goals, and strategies for safety and health management, pursuing advancement work to incorporate them throughout the Company's management system. In 2025, the Company focused on instilling a safety culture across the organization by conducting regular risk assessments for all departments, maintaining ISO 45001 certification, and establishing and revising safety and health procedure documents with enhanced field applicability. Furthermore, centered on the dedicated organization, the Company continues to build and operate its safety and health management system, continuously reviewing and improving its effectiveness and operational performance to strengthen a safety and health management system with practical execution capabilities. The Company has also set achieving a Lost Time Injury Frequency Rate (LTIFR) of '0' as its core KPI, continuously advancing its safety and health management standards.

Safety and Health Management Organizational Chart



CSO

• Overseeing company-wide occupational safety and health activities
• Overseeing establishment and execution of occupational safety and health budgets

Safety Management Team

Safety
• Establish and implement the basic occupational safety and health management plan and the occupational safety and health training plan
• Perform duties prescribed under Article 17 of the Occupational Safety and Health Act, including safety management for contracted operations

Health
• Establish and implement employee health management plans
• Provide and manage personal protective equipment (PPE)
• Perform duties prescribed under Article 18 of the Occupational Safety and Health Act, including hygiene management

Expertise of Safety and Health Personnel

(Unit: persons)

Year	Safety and Health Experts				Total[5]
	Certified experts[1]	Majors[2]	Experienced experts[3]	Other experts[4]	
2024	20	1	3	4	28
2025	19	1	6	4	30

1) Safety and health certifications: Engineer/Industrial Engineer Industrial Safety, Engineer/Industrial Engineer Construction Safety, Engineer/Industrial Engineer Industrial Hygiene Management, Engineer/Industrial Engineer Air Pollution Environmental, Engineer/Industrial Engineer Hazardous Materials, Engineer Ergonomics, Ship Safety Manager (Class 1, 2, 3), Medical Doctor License, Nurse License, Labor Attorney, Professional Engineer
2) Safety and health majors: Individuals with a degree in industrial safety, industrial health, or industrial hygiene from a college or university
3) Experienced safety and health experts: Individuals who have performed 3+ years of supervisor duties, or 1+ years of safety and health management duties (including former and current employees)
4) Other experts: Individuals who have completed ISO 45001 auditor or higher level training, or holders of NEBOSH certification
5) Numbers may overlap across categories

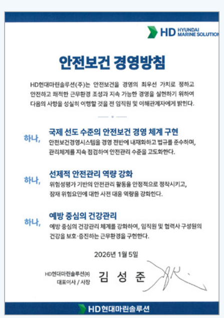
Safety and Health

Safety and Health Strategy

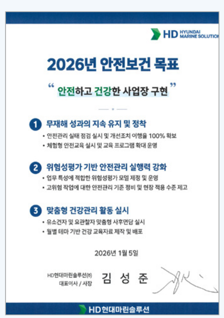
Safety and Health Management Policy

Safety and Health Management Policy

HD Hyundai Marine Solution recognizes a safe and healthy work environment as a core premise of corporate management and has concretized and operates it as the Company's safety and health management policy. This policy applies not only to employees but also to all stakeholders including customers and suppliers, and has set compliance with domestic and international safety and health laws and regulations, and creating a safe and comfortable work environment as major sustainability management targets. Furthermore, to ensure that its Safety and Health Management Policy moves beyond a declaration and is implemented in practice, the Company has established safety and health targets and systematically documented the operating procedures and accountability framework for the related management programs. Based on this, the Company identifies and manages hazard factors that may arise across all business activities in advance, and strengthens consistency and execution of safety and health management by continuously inspecting and improving detailed implementation measures and operating procedures. Additionally, quantitative targets are established and managed for safety and health performance indicator improvement.



HD HMS Safety and Health Management Policy



HD HMS Safety and Health Goals

Safety and Health Mid- to Long-term Roadmap

HD Hyundai Marine Solution monitors the overall management system through a regular process of reporting inspection results to the CEO in the first and second halves. The Company's vision and targets include minimizing industrial accidents and continuously maintaining '0 serious accidents' across all business sites including suppliers as well as employees. Since 2022, the Company has maintained '0 serious accidents,' recognizing this as its most challenging and important safety objective, and is continuously advancing a prevention-centered safety management system.

Vision and Targets	Maintain Zero industrial accident rate and Zero major (serious) accidents on an ongoing basis		
Strategic Goals	Short-term (by 2025)	Mid-term (by 2028)	Long-term (by 2030)
	Establish and advance the safety and health management system	Establish a technology-based smart safety and health management system	Operate a smart safety and health management system and build an integrated safety and health management framework by strengthening supplier capabilities
Action Items	• Maintain certification of the safety and health management system • Strengthen safety and health risk management • Form a dedicated organization • Operate near-miss incident reporting channels and the safety hotline • Conduct emergency response drills • Operate ongoing health promotion programs • Provide monthly health information	• Evaluate safety and health performance and manage ad hoc risk assessments using programs • Introduce computerized risk assessments • Build a mobile platform for joint use with suppliers	• Establish a smart safety and health management system • Implement a supplier safety rating system • Activate networking with suppliers' safety and health leaders • Operate safety and health grievance channels for suppliers • Implement supplier evaluation and incentives based on safety and health performance
2025 Safety and Health Implementation Status	• Maintaining ISO 45001 safety and health management system certification, with plans to secure recertification by 2028 • Operating health promotion programs and providing monthly health management information • Advancing computerized risk assessments and pursuing mobile platform development strategy • Strengthening safety and health risk management by operating near-miss incident reporting channels and safety hotline, and conducting emergency response drills • Operating the Safety Management Division as a dedicated safety and health organization directly under the Chief Safety Officer (CSO)		

Safety and Health Strategy and Action Plans

	ISO 45001 Renewal Audit Completion	• Reviewing compliance with major safety and health-related laws and regulations, etc. • Improving deficiencies identified through manual/standard document revisions and management review	Strengthening supplier safety and health management level	• Conducting safety and health level assessments for all suppliers (suppliers transitioning to regular supplier status: face-to-face evaluations) • Conducting site inspections for high-risk work • Providing safety and health education for suppliers	Strengthening supplier registration and management systems	• Enhancing supplier management through the in-house system • Conducting safety and health level assessments prior to initial registration • Revising the supplier management system manual
Establishing a Proactive Risk Management System	Enhancing the sophistication of the risk assessment implementation system	• Conducting individual risk assessments across all departments, including office functions • Continuous guidance and feedback following risk assessment improvement measures	Strengthening safety and health capabilities	• Newly appointing safety and health managers at GRC • Revising newly established safety and health procedure documents • Reviewing safety and health-related laws and regulations	Strengthening safety and health activities	• Conducting safety interviews for employees on business trips and dispatched assignments • Changing the GDC safety management service agency • Providing safety education for methanol exposure workers
Establishing a Healthy Workplace Program	Strengthening physical health management programs	• Body fat and skeletal muscle mass management program • Health measurement program (blood pressure, blood sugar, cholesterol) • Follow-up management for health checkup target employees	Implementing a mental health/job stress prevention program	• Operating a mental health care program for employees • Revising protective measures manual for customer-facing workers • Monthly health information provision		

Safety and Health

Safety and Health Risk Management

Regular Risk Assessment System

HD Hyundai Marine Solution systematically conducts regular annual risk assessments to proactively identify and prevent hazards that may arise at business sites in accordance with Article 36 (Risk Assessment Implementation) of the Occupational Safety and Health Act and Article 4, Item 3 of the Serious Accidents Punishment Act Enforcement Decree. Risk assessments are conducted covering not only all workers at business sites but also external personnel who can access work spaces. Hazards and risk factors are identified from multiple angles through various channels including monthly safety discussions, field safety inspection result analysis, accident statistics and accident report monitoring, regular patrol inspections, listening surveys (TBM, safety reporting), and near-miss accident case analysis. For matters derived as unacceptable risks through assessment, improvement plans are established and implemented to continuously manage risk levels, and major improvement items are reflected in worker training to enhance safety awareness. All risk assessment results are documented and systematically managed, reported to the CEO and CSO, and actively utilized for executive-level safety and health decision-making.

2025 Risk Assessment Activities

Systematic Risk Assessment Implementation and Management	Supplier Risk Assessment Training	Supplier Safety and Health Capability Assessment
• Building a safe working environment through systematic risk assessment implementation	• Conducting on-site training to establish ad hoc risk assessment practices	• Conducting regular assessments of 10 items to review overall management levels

Risk Identification and Assessment Process

01	02	03	04	05
Prepare in Advance	Identify Hazards and Risks	Determine Risk Levels	Develop and Implement Mitigation Measures	Record Assessment Results
• Classify target work and form an evaluation group • Provide assessment training for responsible personnel and collect relevant information (accident reports, etc.)	• Conduct patrol inspections and collect feedback from employees • Identify risks and recognize potential unsafe conditions and behaviors	• Select risk levels using the four-step method (very high/high/medium/low) and assess their acceptability	• Eliminate or reduce risks, or develop and implement engineering/managerial or other measures • Reassess whether risks remain within acceptable levels after measures are taken	• Derive assessment results (hazards and risks, risk determinations, and improvement actions based on the determinations) • Provide training on the results to employees and keep records

Regular/Ad-hoc Risk Assessment and Follow-up Actions

HD Hyundai Marine Solution conducts regular and ad-hoc risk assessments in accordance with safety and health laws, and for identified hazards, comprehensively reviews risk levels and potential impacts to formulate prevention and improvement measures. In particular, for high-risk work, the Company ensures on-site safety by prioritizing management, immediately stopping work if necessary, and proactively implementing improvement measures. The Company also separately registers and manages improvement implementation status, and continuously checks performance against health risk reduction and prevention target achievement. Furthermore, for safety assurance of supplier workers and industrial accident prevention, the Company applies 'ad-hoc risk assessment checklists' to onboard vessel maintenance and repair work. The checklist was developed in-house and designed so that suppliers with relatively insufficient safety management capabilities can easily utilize it, with an operating system established so that it can be applied to all related work. Through this, the Company is strengthening the joint safety management foundation with suppliers, and continuously promoting safe work environment creation and industrial accident prevention.

2025 Regular Risk Assessment Results and Effectiveness Evaluation

Category	No. of Hazard/Risk Factors	No. of Intolerable Risks	Mitigation Activities	Mitigation completion rate
Engine Smart Care	412	60	Regular Risk Assessment: • H1: Conduct risk assessments • H2: Verify implementation status of improvement measures • Simplified to a 4-step risk estimation method • Conduct risk assessment training for supervisors • Expanded assessment scope from existing field non-office workers to all departments (including office workers) starting this year • Currently reviewing the introduction of HMS Safety Management Platform targeting H1 2026; upon introduction, risk assessments will be enabled for all employees and suppliers Ad Hoc Risk Assessment: • Conduct inspections and identify improvement items once per half-year (H1 and H2)	100%
Marine Smart Care	392	20		100%
Smart Care center Busan	55	5		100%
Retrofit	245	1		100%
Quality Control	39	2		100%
GDC	36	0		100%
Total	1,179	88		100%

Worker-Participatory Improvement | Through the risk assessment process, HD Hyundai Marine Solution identifies hazards and risk factors at worksites based on worker participation, and for the risk factors identified, it prepares improvement plans and implements improvement measures after going through internal approval procedures. These improvement measures are pursued until the risk level is reduced to an acceptable level, and even after the measures are completed, the person in charge verifies implementation to continuously monitor and manage them.

Task	Hazard/Risk Factor	Mitigation Actions	Risk Change
Chamber internal inspection	Risk of entrapment due to chamber rotation during inspection	Turning Gear Interlock check before work and cross-checking by a two-person team	High → Medium
Hydraulic fastening	Risk of fluid spray and equipment abnormality due to loose hydraulic hose and pump connections	Inspect pump, hydraulic hose, distributor, etc., and check the cleanliness and damage status of threads and connections	High → Medium
Engine operation inspection	Risk of explosion due to abnormal pressure	Verify proper pressure based on specification (Spec.) standards and conduct mutual inspection	High → Medium

Safety and Health

Safety and Health Performance and Activities

Strengthening Safety Management for Suppliers

HD Hyundai Marine Solution reflects safety and health requirements from the supplier selection stage when choosing suppliers, and continues to manage suppliers' safety and health levels through an ongoing management system thereafter. The Company also receives relevant written documents from suppliers, such as pledges to comply with safety rules.

In addition, based on the Serious Accidents Punishment Act and the Occupational Safety and Health Act, the Company evaluates suppliers' safety and health management levels and provides related training in parallel. Since 2024, using a standard supplier safety and health evaluation sheet, the Company conducted its first full-scale evaluation of all suppliers; suppliers scoring below 70 points are barred from transactions, while those in the 70-point range are classified and managed as suppliers requiring improvement. In 2025, all suppliers received a passing rating of 70 points or higher. However, as suppliers in the 70-point range accounted for 48% of the total, the Company plans to strengthen its evaluation criteria going forward and expand tailored training and improvement support suited to each supplier's characteristics.

Strengthening Safety Management System for Suppliers

Supplier Safety Training and Education

As the safety and health capabilities of suppliers have become increasingly important following the enforcement of the Serious Accidents Punishment Act, HD Hyundai Marine Solution conducted safety and health training and safe work guidance for suppliers. In this activity, the Company provided risk assessment training to suppliers with safety capability assessment scores in the 70-point range. Through safety guidance, the Company identified issues at their offices and workshop sites and developed appropriate improvement measures. Additionally, training was conducted for methanol engine repair suppliers on key areas including chemical substance fundamentals and personal protective equipment (PPE) to enhance understanding of chemical substances. Work-related Q&A sessions were also held to share safety and health-related difficulties that may arise in the field and derive practical improvement measures together. In 2026, the Company plans to provide consulting support to enable suppliers to establish a sound safety and health management system beyond simple training.

Education and Training Period

2025 Training delivered to	24 suppliers
2026 Targeting consulting support for	10 suppliers

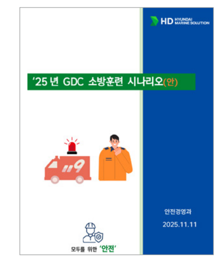
On-site training for suppliers

Root Cause Analysis and Accident Prevention

HD Hyundai Marine Solution operates procedures for systematically investigating work-related injuries, illnesses, and incidents when they occur. Upon occurrence of an incident, the responsible personnel are required to submit relevant documentation including incident and casualty information, incident circumstances and response actions taken, root cause analysis and recurrence prevention measures, and written statements. Incident causes are analyzed by categorizing them into direct and indirect causes, and all aspects from the incident occurrence process through post-incident response measures are recorded in detail.

Strengthening Emergency Response Capability

HD Hyundai Marine Solution has established emergency situation response procedures and conducts regular simulation training for employees to rapidly and systematically respond to emergencies, continuously strengthening initial and on-site response capabilities. The Company also conducts scenario-based emergency response training assuming actual situations against business site fire occurrences, improving employees' fire response capabilities and evacuation procedure familiarity through this, and continuously inspecting and improving the effectiveness of the emergency response system.



Occupational Safety and Health Communication

HD Hyundai Marine Solution published a safety and health hazard case collection to ensure safety of supplier workers and prevent industrial accidents. This case collection is systematically organized material of major hazard cases identified in the vessel repair and conversion process, and is configured so that it can be used as practical reference material for supplier risk assessment and safety and health training. In particular, the effectiveness was enhanced so that suppliers with relatively insufficient safety management capabilities can autonomously identify hazard factors and improve, and it was distributed to major suppliers and shipping companies.

Going forward, the Company plans to continuously advance the joint safety management system and contribute to industrial accident prevention and safety culture spread by actively utilizing this case collection in training and risk assessment activities.

Safety and Health

Safety and Health Performance and Activities

Employee Participation Safety and Health & Health Promotion Programs

HD Hyundai Marine Solution continuously promotes work environment improvement and working condition enhancement based on Article 5 of the Occupational Safety and Health Act to enable employees to work in a more comfortable environment, focusing on alleviating physical fatigue and mental stress.

The Company also operates health management programs and job stress prevention programs to promote employee health improvement, and makes efforts to build integrated management systems covering both physical and mental health.

Employee Participation Safety and Health & Health Promotion Programs

Category		Program Details
Once a year	Cardiovascular and Cerebrovascular Disease Health Improvement Program	Blood pressure measurement and lifestyle improvement training, distribution and explanation of cardiovascular and cerebrovascular disease prevention leaflets, cardiovascular and cerebrovascular disease quiz and prize giveaway
	Mobile Health Counseling Program (On-site Visit)	Blood pressure and body composition measurement, personalized health counseling, oral health training
	Fire Emergency Response Drill	Conducting training to strengthen rapid initial response capabilities in the event of fire and emergency situations, including CPR theoretical training
Year-round	Health Measurement Program (Blood pressure, blood sugar, cholesterol)	Measure these items for employees upon request and monitor changes over time (every Tuesday and Thursday)
	Health Checkup and Follow-up	Manage checkup schedules and results through systematic analysis, and review transition from manual to system-automated management
	Body Transformation Challenge	Conducting individual 'InBody score' improvement challenges using the Motinus app (awards for top participants)
	Mental Health Promotion and Prevention Program	Operate the Breeseed program for employees upon request - (One-time) Offer mental health assessment and meditation program - (Ongoing) Operate internal and external counseling services



Health Counseling Program (On-site Visit)


Fire Emergency Response Drill including CPR Theoretical Training

Safety and Health Metrics and Certifications

ISO 45001 (Occupational Health and Safety Management System)

To ensure international conformity of its safety and health management system, HD Hyundai Marine Solution obtained ISO 45001 (Occupational Health and Safety Management System) certification through rigorous examination by DNV Business Assurance in 2022 and continuously renews and maintains it. The Company also additionally obtained certification for the Busan business site and completed ISO 45001 certification for all business sites. As an indicator objectively demonstrating that the Company's safety and health management system conforms to global standards, the Company operates overall safety and health work based on ISO 45001 requirements while simultaneously pursuing continuous system advancement.

ISO 45001 Certification

Validity Period:
December 22 of 2025 ~ December 21 of 2028

Certification Scope :
GRC, CSP, GDC, Global Academy

Safety and Health Training Status

HD Hyundai Marine Solution regularly conducts safety and health training reflecting job characteristics to prevent industrial accidents of employees, and systematically manages the status of training targets, training hours, etc.

Occupational Safety and Health Training Status

Program	Participants	2025	
		No. of attendees	Total No. of training hours
Regular safety and health training	All office employees	586	8,997
Safety and health training at hiring	New employees	81	648
Regular safety and health training	Supervisors	13	208
Other safety and health training[1]	Training targets	90	181

1) Other Safety and health Training: Job-specific training, CPR training, fire drill, heat/cold illness prevention training, etc.

Quality and Customer Satisfaction

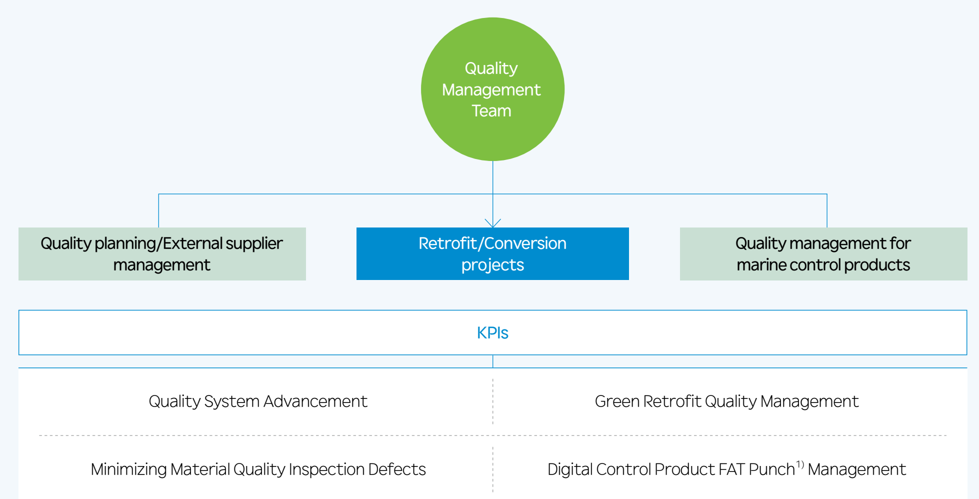
Quality Management Governance

Quality Management Organization

HD Hyundai Marine Solution recognizes quality of products and services as a core element for realizing customer satisfaction, and continuously makes efforts to stably maintain quality levels trusted by customers. Under this recognition, the Company conducts systematic quality management activities across major businesses including quality assurance for vessel parts, quality management for vessel conversion work, and technical quality management for digital control products, centered on a dedicated quality organization.

Furthermore, by establishing and operating a quality system based on ISO certification, the Company continuously advances a customer-centered quality management system and is strengthening quality management capabilities to secure quality reliability levels required in the global market.

Quality Management Organization and KPIs



1) FAT (Factory Acceptance Test) Punch: Defects identified during factory inspection prior to shipment

Quality Management Strategy and Key Achievements

Quality Management Foundation Establishment

HD Hyundai Marine Solution operates a systematic management system centered on the quality management dedicated department to proactively identify and manage quality risks that may occur across the entire product lifecycle, and is building a quality risk response system that meets the global market's changes and international standards. The Company has clearly established quality management policies for each area to proactively respond to global environmental regulatory changes, while continuously organizing service operation systems through product standardization, quantification, and specification to pursue quality level advancement. The Company is also strengthening the recurrence prevention system through rapid and accurate response and feedback to customer claims, and providing training and internal communication so that employees can clearly understand and comply with quality-related regulations and policies, systematically minimizing quality failure costs. In 2025, as part of its strategic initiatives to secure superior quality and proactively prevent quality risks, the Company further strengthened its quality management for materials and parts while focusing on quality management activities in collaboration with overseas suppliers.


HD HYUNDAI MARINE SOLUTION

2025년 품질방침

HD현대마린솔루션(㈜)는 이해관계자의 만족과 신뢰를 증진시키고, 고객 요구사항 및 법적 · 규제적 요구사항을 충족시키기 위하여 다음과 같이 품질방침을 수립하고 이행하고자 한다.

1. 지속적인 혁신을 통한 품질경영시스템 고도화
2. 품질 리스크 최소화
3. 고객 중심 품질 경쟁력 강화

2025 Quality Policy

Quality Targets

Company-wide Quality Targets	Department-specific Detailed Targets
• Quality system strengthening through process improvement and updates • Customer satisfaction improvement and service system strengthening through product standardization/quantification/specification • Customer claim minimization and recurrence prevention through rapid feedback • Understanding rules & regulations for rapid service provision	• Sales division management plan target achievement rate management (order/revenue/operating income) • Digital control product FAT Punch minimization • Quality system advancement • Minimizing material quality inspection defects • Green retrofit quality management

2025 Quality Management Key Performance

HD Hyundai Marine Solution is continuously demonstrating quality competitiveness in high-difficulty conversion areas by successfully completing a total of 8 vessel conversion works. As a representative case, the Company became the first in Korea to complete conversion work converting Norwegian shipowner Knutsen's LNG carrier 'Bilbao Knutsen' to an FSU, demonstrating quality competitiveness in high-difficulty vessel conversion. This project featured customized hull-type design considering the LNG-FSU conversion characteristics with no standard design and was executed in turnkey manner covering the entire process of design, equipment procurement, installation, and commissioning, with systematic quality management standards applied throughout all processes. Through this, the aging vessel's operational lifespan was extended by over 20 years and the burden of fuel consumption and CO_2 emissions was alleviated, while also reducing environmental impacts from vessel scrapping, and the converted FSU is expected to contribute to improving energy supply stability in the European region. Based on technical capabilities and quality management experience accumulated through this project, the Company is continuously strengthening reliability and competitiveness in green vessel retrofit and marine energy solution areas.

Quality and Customer Satisfaction

Quality Management Risk Control

Quality Management Process

HD Hyundai Marine Solution establishes quality policies and key quality targets with customer trust as a core value, and continuously pursues construction of an advanced quality management system based on these. The Company derives specific implementation tasks for each target and systematically manages monthly promotion status, while strengthening the effectiveness and execution of target implementation through semi-annual evaluations and inspections. The Company operates internal audit procedures to check the suitability and operational effectiveness of the quality management system. Internal audits are conducted following annual/regular plans by verifying compliance with related processes, documents, and records. When findings are discovered in audit results, corrective and improvement measures are registered after cause analysis, and completion of measures and effectiveness are verified in follow-up checks. Key results are shared with related departments, and if necessary, improvements are reflected through management reviews, etc.

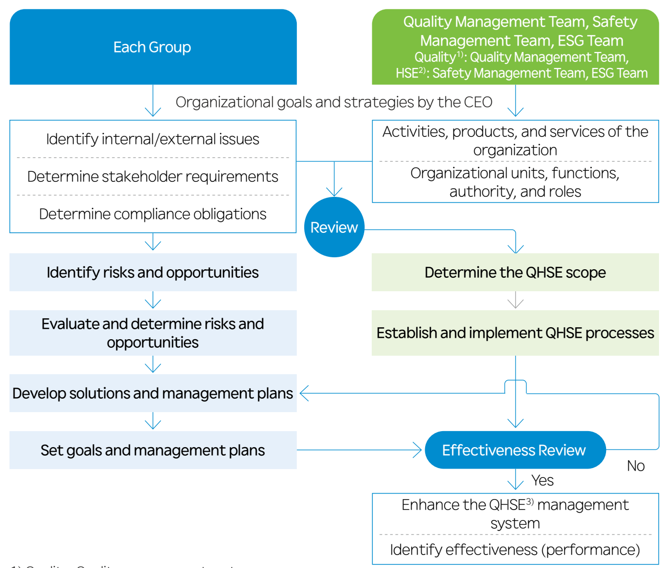
Quality Management System Operation

Key Target	Key Action Items	Detailed Achievement Plan	Annual Target	Performance	Responsible Party
Quality System Advancement	ISO 9001 (Quality Management System) overseas subsidiary support and certification audit passing	Supporting 4 overseas subsidiaries in passing certification audits	4	4	Quality Management Officer
Green Retrofit Quality Management	FSU/Reliquefaction retrofit quality management	Managing Punch closure rate	100%	100%	Quality Management Officer
Minimizing Material Quality Inspection Defects	Minimizing defect occurrences among items subject to witness inspection (chargeable materials)	Managing total defect rate (in-house inspection + inspection agency) to 0.5% or below	0.5%	0.5%	Quality Management Officer
Minimizing Digital Control Product FAT Punch	Digital control product FAT Punch management	Managing the number of Punches per FAT	0.6	0.57	Quality Management Officer

Quality Management Risk Control Procedures

HD Hyundai Marine Solution regularly conducts quality management-related risk due diligence following Risk Assessment procedures described in ISO Chapter 6, and analyzes due diligence results from multiple angles by applying SWOT-based risk assessment criteria. For risks identified at 'High' grade, specific improvement measures for risk level reduction are derived, reflected in risk management plans, and systematically implemented in connection with management plans, business plans, and KPI management of each organization as part of the company-wide management system. Through such risk management processes, the Company manages so that quality risk prevention and preemptive response is possible, and continuously solidifies the stable operating foundation of the organization by minimizing quality risks based on periodic monitoring and inspection.

Quality Management Risk Control Framework



1) Quality: Quality management system
2) HSE (Health Safety Environment): Health, safety, and environment management system
3) QHSE: quality, health, safety and environment

Identifying Internal and External Stakeholder Issues

Quality

Strengths
- Maintaining stable revenue structure through diversification across A/S, retrofit, parts sales, bunkering, and other businesses
- Accumulated technical expertise and quality management capabilities in vessel maintenance and retrofit
- Flexible response capabilities aligned with shipowner and cargo owner requirements
- Prompt response to customer complaints

Opportunities
- Expanding internal employees for design/quality
- Upgrading the internal design/quality IT system
- Expanding regular design/quality process meetings
- Potential expansion of demand for newbuilding, retrofit, and parts
- Securing global partners and new customers through ISO 9001, 14001

Weaknesses
- Need for design/quality education
- Need for technical review related to new businesses
- Possibility of variance in quality and environmental management procedures across projects
- Upgrading the technical capabilities of external suppliers
- Need for efficient information sharing across sales, retrofit, A/S departments

Threats
- Stagnation and decline in domestic and international order intake
- Possibility of domestic/overseas A/S companies and low-cost competitors entering
- Changes in international conventions, Class rules, and environmental regulations (potential stakeholder conflicts)
- Potential fluctuations in fuel business profitability and increases in parts costs
- Increasing certification and verification burden due to increasingly stringent quality and environmental requirements from global shipping companies

Identifying Internal and External Stakeholder Requirements

Stakeholder	Requirements and Expectations
Management	• Reporting system for quality target achievement, profitability, and customer satisfaction improvement • Strengthening reliability and minimizing claims and defect rates through international certification • Making continuous improvement (CI) activities visible
Employees	• Providing clear work standards and inspection criteria • Providing quality-related training and education opportunities • Creating a safe and efficient work environment / Supporting the minimization of defects and rework / Operating a performance-based compensation system
Customers (Shipowners, Shipyards)	• Operating delivery deadline compliance and quality reliability and claim prompt response • Technical support, A/S response, and quality assurance • Building long-term partnership
Suppliers (Parts, Makers)	• Sharing and complying with quality inspection standards and maintaining ISO • Ensuring consistency of delivered quality and collaborating on improvement when quality issues arise • Participating in supply chain quality assessment

Quality and Customer Satisfaction

Quality Management Activities

Quality Management Training Activities

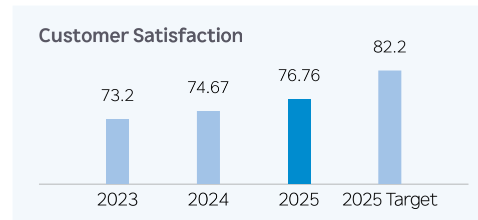
HD Hyundai Marine Solution operates a systematic quality training program for talent cultivation that serves as the foundation of quality competitiveness. Training programs cover quality and environmental management systems, overall quality management, and job capability development, and are operated in a combined offline and online method. Furthermore, by producing and distributing related manuals for improving quality and process execution capabilities and applying them in the field, the Company is practically contributing to productivity improvement and technical capability strengthening. Going forward, the Company plans to continuously advance training content and expand field-centered practical training to systematically pursue talent cultivation for quality competitiveness strengthening.

Quality Management Training Programs

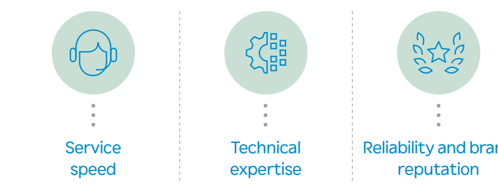
Category	Training Course	Training Content	Target Audience	No. of Trainees	Training Hours
Internal	Quality/Environmental System	Quality/environmental direction and company-wide targets	Responsible personnel	ISO responsible personnel	2HR
		Department targets/detailed targets, action plans	Responsible personnel	ISO responsible personnel	2HR
		Quality/environmental policy and policy deployment chart	Responsible personnel	ISO responsible personnel	4HR
	Quality/Environmental Management Framework	Management system and related standards/procedures	Responsible personnel	ISO responsible personnel	4HR
		EGCS/BWTS environmental product quality issue case training	Related departments	8	2HR
	Quality Management	How to respond to EEXI	Related departments	8	4HR
	Job Competency	ME-GI Engine fundamentals	Related departments	8	4HR
		EGCS A/S and claim cases	Related departments	8	8HR
		WinGD X/X-DF Engine fundamentals	Related departments	3	8HR
		Understanding reliquefaction equipment operations	Responsible personnel	4	8HR
		Methanol fuel classification society rules and application cases	Responsible personnel	4	8HR
		DT mindset	Related departments	8	8HR
External	Job Competency	Job capability enhancement cyber training	Responsible personnel	8	2 months
		Welding inspection practice	Responsible personnel	1	24HR
		ISO 9001 internal auditor	Responsible personnel	1	24HR

Customer Satisfaction Survey

HD Hyundai Marine Solution conducted a customer satisfaction survey to diagnose vessel quality and service competitiveness and derive customer-perspective improvement tasks. This survey was conducted targeting 288 domestic and overseas customers including on-site supervisors managing HD Hyundai Group vessels, with 147 participants recording a response rate of 51.0%. The 2025 customer satisfaction score was 76.76 points, an increase of 2.09 points compared to the previous year. Survey results will be utilized as key data for identifying major improvement factors, establishing customer-centered service strategies, and improving quality competitiveness.



Reasons for Recommending the HD Hyundai Brand



2025 Customer Satisfaction Survey Results

	Satisfaction Score	Satisfaction Rank	Importance Score	Importance Rank
Vessel warranty service work processing	78.0	1(↑)	19.7	1(↑)
Claim receipt and technical inquiry process	77.9	2(↑)	16.8	3(-)
Warranty service guidance	77.3	3(↓)	16.3	4(-)
Warranty service overall	76.6	4(↓)	17.8	2(↓)
HiMSEN engine warranty service work processing	75.8	5(↓)	13.4	6(-)
Main engine warranty service work processing	74.6	6(-)	15.9	5(-)

Complaint Handling Process

The customer complaint filing mechanism operates through the website, email, and a telephone consultation line, and customers can submit inquiries on the homepage and check the status of receipt through the inquiry tracking function. Received matters are handled by processing them into the internal system, where the designated person in charge for each hull registers and manages them. Through this, the Company systematically manages customer feedback and complaints, and pursues continuous improvement activities so that they lead to enhanced service quality and customer satisfaction.

Quality and Customer Satisfaction

Quality Management Activities

Digital Control Product FAT[1] Customer Complaint Minimization

HD Hyundai Marine Solution closely analyzes findings from shipyards and shipowners and pre-reflects these in subsequent examination processes to proactively conduct pre-inspections before parts receipt. Through this management system, the Company achieved the 2025 target of 'managing FAT findings to 0.6 or fewer' at 0.57 level. Going forward, the Company plans to strive for continuous advancement of the quality management system to minimize customer complaints and strengthen trust-based cooperative relationships.

1) FAT (Factory Acceptance Test): Factory acceptance inspection before product shipment

Quality Failure Cost Minimization

Quality failure costs refer to all costs arising from quality-related problems in the process before and after product and service delivery to customers. Since the establishment of the Quality Management Team in 2018, the Company has continuously pursued minimization of quality failure costs through systematic quality management across parts and conversion work. In particular, in 2025, in order to proactively respond to changing business environments such as expanded parts sales and increased green retrofit work, the Company advanced its management level by setting a target of zero quality failure costs, based on thorough advance preparation and prevention-centered quality risk management.

Parts Quality Defect Minimization

By proactively analyzing parts claims to select vulnerable areas and reducing defect occurrence rates through intensive management of those items, in 2025 three defect cases were recorded, stably maintaining the set management target of 0.5% or below.

Supplier Quality Management

A pre-quality management system is built to systematically conduct quality audits for major domestic and overseas equipment manufacturers. In 2025, quality audits were conducted for 22 companies, and improvement tasks were derived and implemented based on evaluation results to promote improvement of suppliers' quality levels. The Company also contributes to securing the Company's overall competitiveness through strengthened quality management for repair service companies, achieving 100% against quality audit plans in 2025 to inspect and confirm advance preparation requirements and management systems necessary for service work execution. Through this, the Company continuously supports improvement of suppliers' quality capabilities.

Quality Management Metrics and Targets

ISO 9001 (Quality Management System Certification)

HD Hyundai Marine Solution renews its ISO 9001 certification—the global standard for quality management systems—from DNV annually, stably maintaining and advancing world-class quality management capabilities. To support this, the Company establishes quality policies at the beginning of each year, and regularly operates internal audits, external audits, and surveillance/renewal audits annually so that task execution and performance management based on the policies can be systematically realized. This year, by expanding the ISO 9001 certification scope from existing domestic business sites to overseas business sites, the Company is more systematically operating quality management systems across global business operations.


DNV
MANAGEMENT SYSTEM CERTIFICATE
HD HYUNDAI MARINE SOLUTION CO., LTD.
ISO 9001:2015

ISO 9001 Certificate

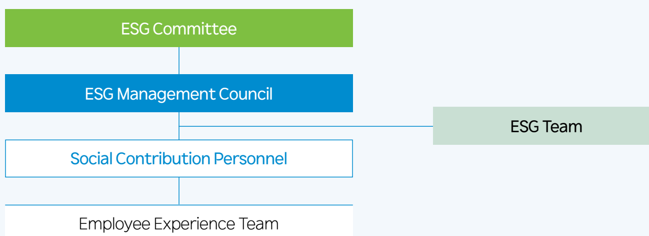
Empowering Local Communities

Social Contribution Governance

Social Contribution Governance

HD Hyundai Marine Solution promotes various social contribution initiatives to create shared value with stakeholders to realize 'A Better World, A Brighter Future.' The ESG Committee makes final decisions on social contribution activities, and through the ESG Management Council, Company-wide support measures are determined according to the set vision and direction. The ESG Division plans social contribution activity promotion plans and reports results to management, and the social contribution dedicated organization, Employee Experience Division, is responsible for establishing social contribution value systems and managing performance, forming and operating a social contribution promotion framework centered on the organization. Through this, HD Hyundai Marine Solution operates a framework for creating social value and strives to contribute to resolving environmental/social problems and developing local communities.

Social Contribution Organization



Detailed Roles and Responsibilities by department

Department	Responsibilities and Roles
ESG Committee	• Final decision-making and vision/direction setting for social contribution activities
ESG Management Council	• Decision-making on company-wide support for social contribution activities, strategy formulation
ESG Team	• Reporting social contribution activity promotion plans and results to management
Employee Experience Team	• Establishing social contribution value framework • Managing social contribution performance

Social Contribution Strategy

Social Contribution Policy

HD Hyundai Marine Solution promotes various social contribution activities setting inclusion, sustainability, innovation, and action as core directions for social contribution based on the HD Hyundai Group's 'A Better World, A Brighter Future' vision. In particular, targeting local communities, vulnerable groups, and the environment as major areas, the Company strives to create social value and practice social inclusion through community-based volunteer activities, donation contributions, and support activities for vulnerable groups. Going forward, the Company will continue to be a company that grows together with stakeholders by expanding sustainable social contribution activities.

Social Contribution Promotion Strategy | HD Hyundai Marine Solution considers direct and indirect negative impacts that may occur on local communities in the process of business activities, and is pursuing social value creation by establishing social contribution strategies reflecting the needs of local communities including environmental protection and support for vulnerable groups.

Social Contribution System

Vision	A Better World, A Brighter Future		
Direction	Inclusion	Sustainability	Innovation and Action
Focus Areas	**Shared growth with local community** Fostering shared growth with local communities by carrying forward the founder's spirit and creating a foundation where businesses and communities can grow together	**Self-Reliance and Care for the Underprivileged** Improving quality of life by providing diverse educational opportunities and establishing an economic self-reliance foundation through environmental improvement	**Environmental Protection** Contributing to sustainable development of local communities and protecting the health and safety of future generations through environmental conservation and improvement activities
UN SDGs	8, 9, 11	1, 2, 3, 4	13, 14, 15

Empowering Local Communities

Social Contribution Strategy

HD Hyundai 1% Sharing Foundation Promotion Strategy

HD Hyundai Marine Solution participates in the HD Hyundai 1% Foundation, which was established to support marginalized neighbors by donating 1% of employees' salaries. Based on the foundation's vision of "supporting marginalized communities and building a more caring society through employee giving," the Company contributes to creating social value and spreading a culture of sharing through various initiatives such as Happy Family, Happy Donor, Dream Future, and Dream Partner.

HD현대 1% 나눔재단

Happy Family • Love Heating Oil • Happy Meal	An activity to support livelihood stability of underprivileged groups—providing heating oil to heating-vulnerable groups (small social welfare facilities, low-income households, etc.) suffering from heating cost burdens during cold winters, and providing warm meals and various experience activities and lifelong education programs for senior citizens in difficult living conditions.
Happy Donor • Happy Supporters • HD119	A social contribution activity to contribute to positive changes and development of local communities—pursuing region-customized projects reflecting donors' opinions to support vulnerable groups in focused areas by Group affiliates, and practicing sustainable community contribution through 'Happy Supporters' activities utilizing 50% of employee donations. Also operating 'HD119' activities using HD Hyundai equipment and manpower to support damage recovery and provide relief supplies in urgent cases of natural disasters or accidents.
Dream Future • Dream Place • Dream Academy • Dream Harmony	A social contribution program providing space improvement, education and independence support, and cultural activity opportunities for vulnerable groups—establishing spaces supporting growth and dreams by improving the environment of residential and living facilities for vulnerable children including protected children, independent living youth, and single-parent families, and expanding learning opportunities through various educational programs. Also providing opportunities for various cultural activity participation by supporting cultural events and sports game viewing, contributing to strengthening independence capabilities and improving life satisfaction.
Dream Partner • HD Hyundai Honor Award • I'm Donor • HD Hyundai MZ Volunteer Corps, etc.	Operated to expand local community support in more diverse ways—includes 'I'm Donor' projects pursuing projects reflecting donors' opinions, 'HD Hyundai Honor Award' discovering and rewarding individuals and organizations dedicated to serving underprivileged groups, and operating 'HD Hyundai MZ Volunteer Corps' composed of MZ generation employees interested in social problems and social value realization. Through this, the Company provides various participation opportunities and expands interest and participation in community contribution activities.

Short/Mid/Long-term Targets for Social Contribution Activities

Phase	2025-2026 Short-term Strengthening social contribution experience within new employee orientation	2027-2028 Mid-term Establishing a sustainable regular volunteering activity framework	2029-2030 Long-term Developing business site-specific social contribution programs
Direction	• Implementing volunteering activities within new employee orientation • Activating social contribution activities within CA activities	• Implementing regular volunteering activities	• Business site-specific volunteering activities • Activating group-wide social contribution activities
Action Items	• New employee orientation volunteering activities - Operating at least 1 volunteering activity per new employee orientation course annually - Encouraging all new employees to participate to enhance social contribution awareness and strengthen understanding of organizational culture	• Annual volunteering activities - Pursuing at least 1 employee participation volunteering activity annually targeting areas near business sites (Ulsan, etc.) - Engaging approximately 20–30 participants per session to support vulnerable local communities through donations and the delivery of essential goods • Family Month volunteering activities - Conducting at least 1 volunteering activity annually during Family Month (May) - Pursuing volunteering activities linked to local welfare facilities with approximately 20 or fewer employees participating	• Pursuing at least 1 or more business site-specific volunteering activities targeting local areas near each business site, reflecting the characteristics of each business site - Operating locally embedded volunteering activities through small-group unit gatherings • Implementing group-wide social contribution activities - Pursuing joint fundraising and volunteering activities with affiliate companies - Pursuing activities linked to Social Venture Team and HD Hyundai 1% Sharing Foundation

Local Community Negative Impact Management Activities

HD Hyundai Marine Solution conducts management activities to identify and address potential direct and indirect negative impacts on local communities arising from its business activities. The Company currently operates this management framework primarily at its headquarters, where its major business operations are located.

In particular, in the event of maritime incidents such as fires and explosions, collisions and groundings, or pollution accidents, the Company identifies potential negative impacts on local communities, including marine life and fisheries workers, such as natural and marine pollution and damage to ecosystems. Accordingly, the Company has established emergency response plans covering response measures for each type of marine bunkering incident and manages its service providers to ensure that they fully understand these procedures.

In addition, all service providers participate in regular safety training and are required to prepare and submit safety plans. The Company also conducts periodic safety inspections of bunkering vessels used by its service providers as part of its management framework to prevent marine bunkering incidents. Through these preventive activities, HD Hyundai Marine Solution seeks to prevent the escalation of accident-related negative impacts and continuously strengthen trust with local communities.

Empowering Local Communities

Social Contribution Strategy

Social Contribution Activities

Social Contribution Fund Operation Status | HD Hyundai Marine Solution provides donations in the form of support funds and goods targeting foundations and schools needing assistance including vulnerable groups. Donations are provided not only to HD Hyundai Group-affiliated foundations and schools but also to external independent foundations, and the Company is continuously expanding the scope of support. In 2025, the Company pursued donation activities contributing to actual livelihood improvement of beneficiaries by providing goods such as disinfection robots beyond cash donations.

Donations

Group[1]	2024	KRW 2,250 million	2025	KRW 2,450 million
Others[2]	2024	KRW 376 million	2025	KRW 191 million

In-kind Donation (Disinfection Robot)

Group[1]	2024	-	2025	-
Others[2]	2024	-	2025	KRW 909 million

Total Donations	2024	KRW 2,626 million	2025	KRW 3,850 million

1) Donations to group-affiliate foundations
2) Donations to external foundations, etc.

Social Contribution Activities

Shared Growth with Local Communities

Donation of Disinfection Robots

HD Hyundai Marine Solution purchased three disinfection robots from its affiliate HD Hyundai Robotics and donated two to Pusan National University and one to Pukyong National University in 2025. Through this, the Company supported improvements to university sanitation environments and enabled future talent to continue their studies in a more comfortable environment.

Furthermore, HD Hyundai Marine Solution donated a total of 30 disinfection robots to various institutions including Save the Children and Milal Welfare Foundation through the Group foundation 1% Sharing Foundation, contributing to local communities through meaningful donations.

Warm-Sharing Yeoreum Santa Kimchi-Making Volunteer Activity

HD Hyundai Marine Solution participated in the "2025 Warm-Sharing Yeoreum Santa Kimchi-Making Volunteer Activity," hosted by Seongnam City Hall and the Seongnam Volunteer Center in cooperation with the Seongnam City Model Driver Association and the Seongnam City Comprehensive Support Center for Elderly Living Alone, supporting a healthy summer for vulnerable groups in Seongnam, including seniors living alone. This event was held for the second time this year.

Six HD Hyundai Marine Solution employees took part, boarding taxis driven by members of the Seongnam City Model Driver Association as "Yeoreum Santa" to visit local social welfare facilities and vulnerable households and deliver kimchi boxes. Through this, the Company prepared a total of 1,170 boxes of kimchi (5 kg each), worth approximately KRW 40 million, to about 1,100 households, practicing warm sharing.

Tan-cheon Plogging in Commemoration of World Environment Day

HD Hyundai Marine Solution participated in plogging activities led by CA (Change Agent) to mark World Environment Day on June 5. Plogging kits were distributed to all participants before the activity, and environmental protection activities were conducted by collecting litter while walking along Tan-cheon stream near GRC and on walking paths.

A total of 29 employees participated, and small gifts were provided to participants after the activity concluded. Through this activity, the Company contributed to environmental cleanup of the Tan-cheon area and helped create an ecosystem-friendly and safe habitat environment.

Empowering Local Communities

Social Contribution Activities

Care for Vulnerable Groups

Sharing Meal Volunteer Activity for Vulnerable Groups

HD Hyundai Marine Solution participated in volunteer activities for vulnerable groups in local communities together with new employees in 2025. In the first half of the year, 25 new employees and 5 Asia-in-ma-eul members participated in a Lunar New Year sharing event organized by Asia-in-ma-eul, a non-profit corporation, conducting traditional holiday food preparation and meal delivery services for immigrant vulnerable groups. Through this, the Company shared traditional Korean holiday food and side dishes with 7 vulnerable immigrant households, including multicultural families and households of foreign workers, and spent meaningful time together while sharing Korean holiday traditions.

In the second half of the year, new employees participated in side dish delivery volunteer activities for elderly people living alone and other vulnerable groups, delivering self-made side dishes to 11 households. Through these activities, the Company realized warm sharing with neighbors in need, while providing an opportunity to strengthen cooperation among new employees.

Neighbor Love Donation

As part of Group joint donation activities to support underprivileged groups, HD Hyundai Marine Solution participated in the 'Hope 2026 Sharing Campaign' and joined the 'Neighbor Love Donation' through the Community Chest of Korea's Sharing Marketplace. The Company delivered a total of KRW 300 million in donations to provide help and hope to neighbors in need and social welfare facilities.

"Sunshine Cushion" Volunteer Kit Making

HD Hyundai Marine Solution participated in volunteer kit making activities led by CA (Change Agent) to strengthen communication among employees, activate organizational culture, and realize social value simultaneously. This activity was a program for making 'Sunshine Cushions', with teams participating to promote collaboration and communication.

A total of 38 employees formed 5 teams to participate in the activity, and the produced cushions were sold through GoodStore with all proceeds used to maintain employment of workers with disabilities. A total of 40 cushions were produced, and through this, the generated revenue of KRW 1.2 million contributed to providing equal employment opportunities to 27 workers with disabilities.

Furthermore, this activity went beyond simple volunteering to help employees experience the importance of creating social value and served as a meaningful experience of practicing corporate social responsibility.

Social Contribution Metrics and Targets

Social Contribution Targets[1] and Performance

HD Hyundai Marine Solution has established and operates targets to strengthen diverse social contribution activities based on employee participation and expand financial support for local community stability. Going forward, the Company plans to expand group-level social contribution participation, while continuously expanding not only new employee orientation programs but also regular volunteering programs to progressively increase volunteering hours per employee and further strengthen local community support.

1) Business sites conducting social contribution activities: Seongnam, Busan

Phase	Volunteering Hours per Employee	Key Plans
Short-term (2025)	Goal 1.5 hours	Goal • Implementing volunteering activities within new employee orientation • Activating social contribution activities within CA activities
	Performance 0.6 hours	Performance • Operates volunteer activities for vulnerable groups, including voice-recording services and side-dish sharing, as a regular component of new employee orientation programs • Promotes social contribution activities through Change Agent (CA) programs, including Tancheon plogging and cushion-making
Mid-term (~2028)	2 hours	• Conducting regular volunteer activities, including the one company–one village program
Long-term (~2030)	3 hours	• Pursuing group-wide social contribution activities

TOWARD SUSTAINABLE PROFIT

Ethics and Compliance Management

Ethics Management Governance

Ethics Management Framework

In line with HD Hyundai Group's ethical management policy, HD Hyundai Marine Solution operates an ethical management framework based on its Code of Ethics and Ethical Standards to promote fair and transparent business practices. The Company also applies the core values of Fairness, Ownership, Responsibility, Enthusiasm, Safety, and Transparency & Trust throughout its business operations and decision-making processes.

Through these efforts, the Company fosters a healthy organizational culture and builds harmonious relationships with its stakeholders. Going forward, HD Hyundai Marine Solution aims to become a company that customers and suppliers want to work with, shareholders want to invest in, and employees want to work for, while continuing to fulfill its responsibilities to all stakeholders.

Ethics Management Structure

Charter of Ethics Code of Ethics Supplier Code of Ethics

Charter of Ethics
A concise declaration of HD Hyundai's management philosophy based on ethical management.

Code of Conduct
Specific ethical standards developed based on the Charter
- Business Ethics Guidelines: Detailed job guidelines for the implementation of business ethics in the workplace
- Supplier Code of Ethics: Ethical standards for shared growth with suppliers through transparency and fairness in business

Ethical Management Action Program
Detailed procedures and regulations to develop fair and transparent corporate culture
- Training and Promotion: Training and promotions to motivate employees to actively participate in the ethical management and spread the ethical culture

Ethics Management Directions

Stakeholders	Value Pursued	Key Initiatives
Shareholders	Profitability, Transparency	Enhancing corporate value, providing transparent management information, equal treatment of shareholders, appropriate dividends
Suppliers / Competitors	Fairness	Sound trade practices (eradicating bribery and improper demands), protection of technical and trade secrets, prohibition of improper recruitment practices
Government	Legal Compliance	Maintaining a sound and transparent relationship, cooperating with policy, faithful tax payment
Consumers	Customer Satisfaction	Technology development to advance consumer rights and interests, quality improvement
Employees	Dignity	Respect for employees' dignity and privacy, improvement of the work environment, prohibition of discriminatory treatment
Local Community	Corporate Citizen	Environmentally responsible management, social contribution activities

Ethics Management Strategy

Activities to Prevent and Manage Unethical Conduct

Operating an Ethics Practice Pledge and Stakeholder Reporting System | HD Hyundai Marine Solution treats ethical management as the foundation of a fair and transparent corporate culture, and operates an ethics practice pledge and stakeholder reporting system for all executives and employees. Employees submit an ethics practice pledge after familiarizing themselves with the ethics regulations, and are required to report in advance any matters that may pose a conflict of interest in the course of their duties—such as the employment or business relationships of themselves and their family members and relatives. Through this, the company aims to identify potential conflicts of interest early and to enhance the fairness of work performance and the transparency of decision-making. In addition, it ensures consistency in the operation of the system through an electronic reporting system and preparation guidelines, and improves the system's effectiveness by establishing management standards for insincere (bad-faith) reporting.

Gift Return Policy | To raise employees' ethical awareness and foster a culture of integrity, HD Hyundai Marine Solution operates a system for returning gifts received from suppliers and others. Employees may return gifts through the Legal Team, and when a return is difficult, the items are repurposed as charitable goods, thereby continuing the practice of ethical management. The company also carries out a "Clean and Bright Holiday Campaign" to prevent the giving and receiving of gifts that may occur during holiday seasons, and reinforces awareness of the ethics regulations and gift return system among all executives and employees.

Ethics Management Website

Ethics Management Reporting Channel Operation | HD Hyundai Marine Solution operates a grievance reporting channel within the HD Hyundai Integrated Ethical Management website to enable reporting of violations of ethics rules and internal regulations and to respond promptly. Through this channel, matters related to compliance and ethical management, unfair trade, and the like can be reported online 24 hours a day. The Company keeps the identity of whistleblowers and the content of reports strictly confidential, and ensures that a whistleblower's identity is not disclosed without their consent. In addition, HD Hyundai Marine Solution has established protective measures to prevent any disadvantage or discrimination resulting from reporting, and through annual regular compliance training, it provides education on the grievance reporting channel and the principles of whistleblower protection.

Unethical Conduct Report Handling Procedure

1 Report Receipt	2 Review of Report & Verification of Facts	3 In-depth Investigation	4 Implementation of Corrective Measures
Online (Cyber Audit Office), telephone, etc. ※ Compliance with whistleblower protection guidelines	Confirming the specificity of the report and securing supporting evidence ※ Preliminary investigation (commenced after preliminary report and approval)	Verifying facts through investigation of the subject, relevant departments, suppliers, etc.	Establishing improvement plans (recurrence-prevention measures) and requesting disciplinary action; after internal reporting, conveying opinions to relevant divisions

Key Reporting Channels
Webpage: www.ethics.hd.com
Phone: 02-479-9112, 02-500-4762
Fax: 052-202-3311
Email: ethics@hd.com
Mail: HD Korea Shipbuilding & Offshore Engineering Ethics Management Team, Compliance Team, 477 Bundang-Suseo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do (postal code: 13553)

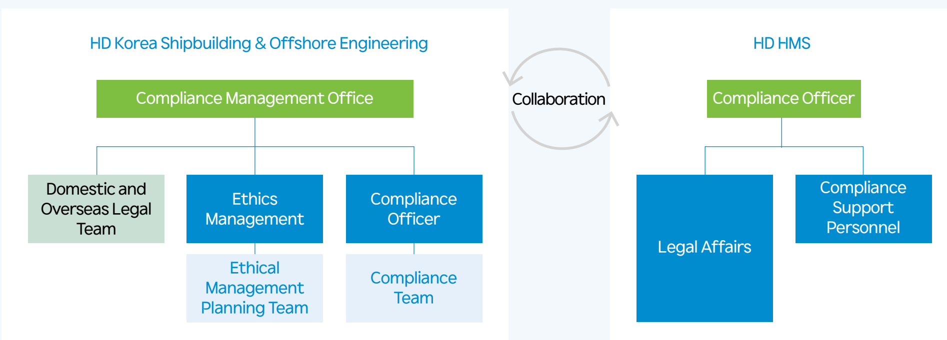
Ethics and Compliance Management

Compliance Management Governance

Compliance Management Structure

HD Hyundai Marine Solution is building a compliance management system to realize fair and transparent corporate culture. The Compliance Officer cooperates with the HD Korea Shipbuilding & Offshore Engineering Compliance Management Office to ensure compliance with all laws in business execution, proactively prevent law and regulation violations, and spread compliance management culture within the Group.

Compliance and Ethical Management Organizational Chart



Role of CP Practice Leader

Compliance Training
(At least once a year)
- Conduct internal circulated training for department (team) members using distributed compliance training materials

Risk Assessment and Inspection
(At least once a year, or as needed)
- Perform risk assessments and inspections for each department (team) using distributed questionnaires and checklists, followed by the submission of the results

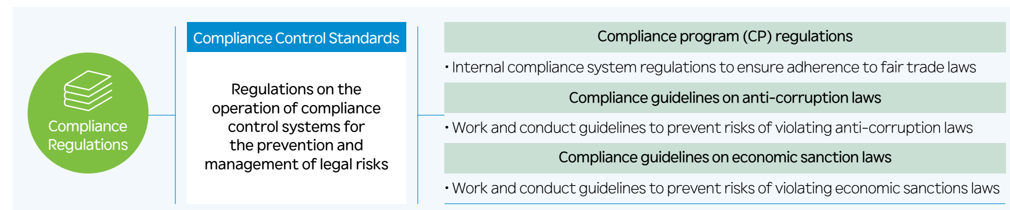
Monitoring and Prior Consultation
(Ongoing, year-round)
- Share compliance-related announcements within each department (team)
- Consult with the Legal Team if compliance issues arise

Compliance Management Strategy

Compliance Management Regulations and Implementation Strategy

HD Hyundai Marine Solution strives to build customer trust and create a sustainable management environment by complying with applicable laws and regulations in all countries where it operates and establishing a compliance management culture based on transparent and fair procurement. The Company operates a company-wide management system to ensure compliance with subcontracting and fair trade regulations and to respond promptly to any compliance-related issues. The Company is also strengthening its capabilities to prevent and respond to transaction-related risks through cooperation with the HD Korea Shipbuilding & Offshore Engineering Compliance Team. Furthermore, the Company is strengthening internal control through compliance risk assessment, training, and internal checks for employees, and annually collects and manages ethics management practice pledges and conflict of interest declaration forms to promote ethics awareness improvement and compliance culture establishment.

Compliance Management Guidelines Framework



Anti-Corruption Law Compliance Guidelines

Anti-Corruption Law Compliance Guidelines

HD Hyundai Marine Solution has established anti-corruption law compliance guidelines and operates them company-wide to ensure fair and transparent business activities grounded in ethical management. Based on internal regulations such as the Ethics Charter, Code of Ethics, Code of Conduct for Professional Ethics, and Supplier Code of Conduct, the company strictly prohibits corruption and unethical conduct throughout its domestic and overseas operations, and applies the same standards to all stakeholders—including not only executives and employees but also suppliers, agents, and consultants. The company prohibits providing or receiving any form of economic benefit—such as money, gifts, entertainment, travel, or donations—for the purpose of gaining improper business advantage, and strictly restricts all forms of bribery, rebates, customary commissions, and facilitation payments, including both direct and indirect provision. In addition, the company prohibits direct or indirect corporate political contributions made using company funds or in the company's name, and manages charitable donations and sponsorships solely for genuine social-contribution purposes through internal review and prior approval procedures. Furthermore, the company conducts regular anti-corruption and ethical management training for executives and employees, and operates an internal reporting channel through which violations or suspected cases can be reported. Reported matters are investigated through an independent process, and no form of disadvantage or retaliation against whistleblowers is tolerated.

Ethics and Compliance Management

Compliance Risk Management

Operation of a Fair Trade Compliance Program

Operating Regulations and Detailed Rules for the Fair Trade Compliance Program (CP)

HD Hyundai Marine Solution operates a Fair Trade Compliance Program (CP) to ensure compliance with fair trade-related laws and regulations. This internal control system presents clear standards of conduct to executives and employees and proactively manages fair-trade risks. The Fair Trade Compliance Officer is appointed by the Board of Directors, with the Legal Team (Compliance) serving as the dedicated operating department. The Company conducts monitoring and inspections at least once every six months, implements corrective actions for identified violations and evaluates operational performance, while CP Practice Leaders in each department serve as the first line of control. CP Practice Leaders also strengthen the training and management framework in collaboration with the Legal Team and, with the support of the CEO and management, promote a culture of fair-trade compliance.

Identification and Management of Unfair Trade and Anti-Corruption Risks

Under its compliance control standards and a Fair Trade Compliance Program, HD Hyundai Marine Solution conducts compliance risk assessments twice a year—a company-wide assessment in the first half with HD Korea Shipbuilding & Offshore Engineering's Compliance Team, and an in-depth assessment of medium-risk departments and operations in the second half. These assessments examine potential violations of laws such as the Fair Trade Act, Subcontracting Act, and Anti-Corruption Act alongside the effectiveness of internal controls, with results driving risk-mitigation efforts like training, monitoring, and audits. The company has established and operates a corruption risk management plan. In 2025, it established a subcontracting payment dispute mediation body to strengthen fair trade and win-win cooperation with suppliers. During the year, there were no unfair trade-related consultations or dispute mediation cases.

Unfair Trade and Anti-Corruption Risk Management Procedure

1 Planning and Monitoring	2 Assessment	3 Mitigation and Improvement Measures
• Establishing anti-corruption control activity plans and discussing goals and achievement levels through an annual internal review	• When non-compliance or corruption occurs, reviewing and analyzing the causes, inspecting recurrence-prevention processes, and then taking corrective action	• Conducting assessment by comparing risk assessment results across two consecutive years

Status of Unfair Trade and Anti-Corruption Risk Management

Risk Description	Mitigation Actions	Completion Date
Possibility of legal violation risks arising from insufficient reflection of key compliance issues, including the anti-corruption management system, in the operation of the company-wide new (intern) employee onboarding training program	Conducted training on internal transactions (such as unfair support) under the Fair Trade Act	2026. 04. 16

Anti-Corruption and Economic Sanctions Compliance Monitoring

HD Hyundai Marine Solution operates a pre-transaction screening procedure in accordance with anti-corruption and economic sanctions-related laws and regulations. For high-risk transactions in particular, it reviews risks through a checklist-based prior approval system and minimizes the possibility of employee legal violations. The Company has also adopted an LSEG[1] World-Check-based Sanctions Screening solution to perform system-based screening of all transactions.

1) LSEG: London Stock Exchange Group

Compliance Metrics and Targets

Compliance Training

HD Hyundai Marine Solution regularly conducts compliance training at least twice a year (first and second halves) based on Article 14 (Compliance Training and Education Program Operation) of 'Compliance Control Standards' and Article 16 (Implementation of Training Programs) of 'Fair Trade Autonomous Compliance Program Operating Regulations.' In 2025, in-person Subcontract Act training was conducted in the first and second halves, improving compliance awareness and strengthening understanding of related laws centered on cases with high probability in the shipbuilding sector. In addition, compliance training was conducted for all employees including non-regular workers in April to continuously strengthen the foundation for company-wide compliance management.

2025 Compliance Training Status

Period	Training Target	Target Departments	Training Content	Completion Rate
Feb 2025	CP Practice Leaders	-	Compliance training	57.14%
Mar 2025	At-risk departments[1]	30	Trade secret infringement prevention	60.20%
Apr 2025	All departments	-	Compliance training (all areas)	88.23%
Oct–Nov 2025	At-risk departments[2]	15	Subcontracting Act	88.69%
		1	Illegal dispatch (of workers)	100.00%
		4	Anti-corruption	80.00%
		18	Fair trade	82.77%
		6	Economic sanctions	82.95%

1) Target departments were selected in consideration of work relevance, such as handling sales/business information.
2) Based on the first-half risk assessment results, departments with an inherent risk rating of medium or higher were selected as targets.

ISO 37001 (Anti-corruption Management System) Certification

HD Hyundai Marine Solution obtained ISO 37001 certification, the international certification for anti-bribery management systems, from the international certification body LRQA (Lloyd's Register Quality Assurance) in 2025. This international standard specifies requirements for establishing, implementing, maintaining, and improving an anti-bribery management system designed to prevent, detect, and address bribery risks.

ISO 37001 Certification

Certification Standard	Certification Body	Validity Period	Certification Scope
ISO 37001:2016	LRQA	September, 2025 ~ September, 2028	100%

Ethics and Compliance Management

ESG Through the Eyes of Our Employees

Q. What area has been strengthened most recently in operating the ethics and compliance management system?

A. Recently, the focus has been on advancing the company-wide compliance system and strengthening the level of prevention-oriented management. In particular, the Company is strengthening its proactive management of compliance risks through a management system based on regular risk reviews and internal guidelines. Efforts are also being made in parallel to embed ethical management as an organizational culture rather than merely operating it as a system.

Q. What compliance standards are growing in importance in transactions and business with stakeholders?

A. Standards for securing fairness and transparency in transactions with suppliers and stakeholders are becoming more important. In particular, strict compliance with relevant laws and internal standards is required at key transaction stages such as contracts, deliveries, and payment settlement. From an ESG perspective, the importance of managing compliance across the supply chain is also expanding.

Q. What areas are managed as most important in the fair trade and anti-corruption risk management process?

A. On the fair trade and anti-corruption side, securing transparency and fairness in the transaction process has become the most important management element. In particular, activities to continuously review compliance with fair trade standards during transactions, contracts, and payment of dues with suppliers are being strengthened. Preventing corruption risks in advance through internal controls and a monitoring system is also a key management direction.

Q. What area has been strengthened most recently in the compliance training process?

A. Recently, compliance training has moved beyond a simple completion-focused approach, and the importance of practical case-based learning and prevention-oriented education is being emphasized. In particular, it is operated in a direction that enhances the effectiveness of training content so that members can apply ethics and compliance policies and internal standards to their actual work. Regular training is also playing an important role in fostering a consistent culture of compliance across the Company.

Q. What areas are being practiced as important in actual work to spread an ethical management culture?

A. To spread an ethical management culture, it is important for members to naturally apply ethical standards in their daily work judgment. In particular, a culture that prioritizes fairness and transparency in decision-making is gradually taking root, and mutual respect and responsible work performance are being emphasized. Through this, ethics is increasingly becoming embedded in day-to-day decision-making and business practices, rather than being viewed solely as a formal system.

Q. What security and compliance issues are growing in importance amid changes in the digital work environment?

A. With changes in the digital work environment, the importance of compliance issues related to data protection and information security is rising. In particular, preventing the external leakage of corporate and business data and managing access controls are emerging as key management areas. Accordingly, activities to proactively manage security risks—through internal policies and system operations—are being strengthened.

Q. What do you think should be strengthened most to reinforce the ethics and compliance management system going forward?

A. The first is raising all employees' awareness of ethics and compliance management. As ethics and compliance can only take root when employees are engaged, the Company makes every effort by planning and conducting various events like compliance quiz events.
Second, as AI becomes an essential part of business operations, information security has become a critical priority for companies. In response, the Group is implementing various measures, including the adoption of AI, to strengthen information security.

Interview with **Dong-hyo Yang, Senior Manager**, Legal Team

Corporate Governance

Board of Directors Structure

Board of Directors

HMS Annual Report HMS Corporate Governance Report

HD Hyundai Marine Solution's Board of Directors is the Company's highest standing decision-making body, supporting management's strategic decision-making while providing oversight of management activities. The Board holds authority over the appointment of the CEO and Chairman, and establishes accountable decision-making through oversight of directors and management. As of end-March 2026, the Board consists of 6 members—2 executive and 4 independent directors—with independent directors comprising 67%.

At the March 2026 Annual General Meeting, independent directors Yoon Hyun-cheol and Kwon Jeong-hoon were reappointed; Yoon Hyun-cheol has chaired the Board since March 2025. The Company has established and disclosed Board Regulations setting out principles and requirements related to Board diversity, independence, and accountability, and maintains D&O insurance to address management-related liability risks.

Board Composition[1) 2)]

Category	Name	Position	Background	Appointed Date	Terms of Office	Committee Affiliations				
						Audit Committee	Independent Director Nomination Committee	Related-Party Transactions Committee	ESG Committee	Compensation Committee
Executive Directors	Sung-joon Kim	CEO	Current: President & CEO, HD Hyundai Marine Solution Former: President & CEO, HD Korea Shipbuilding & Offshore Engineering Former: CEO, HD Hydrogen Former: Head of the Future Technology Research Institute, HD Korea Shipbuilding & Offshore Engineering	March 2026	-		●	●	●	
	Sang-min Moon	Executive Directors	Current: Head of the Global Strategy Division, HD Korea Shipbuilding & Offshore Engineering Former: Director of the Petroleum Industry Division, Ministry of Trade, Industry and Energy Former: Director of the Nuclear Industry Policy Division, Ministry of Trade, Industry and Energy	March 2026	-					
Independent Directors	Hyun-cheol Yoon	Chair of the Board Chair of the Audit Committee Chair of the Compensation Committee	Current: Chairman, Yeil Accounting Firm Former: Board member & Head of the Audit Division, Samil PwC Accounting Firm	November 2023	28 months	●	●	●	●	●
	Jeong-hoon Kwon	Independent Director Nomination Committee	Current: Attorney, Kim & Chang Law Firm Former: Deputy Chief Prosecutor, Daejeon District Prosecutors' Office	November 2023	28 months	●	●	●	●	●
	Chan-joong Park	Chair of the Related-Party Transactions Committee	Current: Independent Directors, Iljin Holdings Former: Advisor, SK Discovery	November 2023	28 months	●	●	●	●	●
	Suk-young Ryu	Chair of the ESG Committee	Current: Dean, Department of Computer Science, KAIST Former: Director, Institute of AI, KAIST	November 2023	28 months	●	●	●	●	●

1) As of the end of March 2026
2) Based on the initial appointment date, the average tenure of the Board of Directors is 1.6 years

Board Competency Matrix[3)] | The Board of Directors of HD Hyundai Marine Solution possesses expertise across a diverse range of fields, including leadership, CEO experience, finance and accounting, industry experience, and legal.

Category	Sung-joon Kim CEO	Sang-min Moon Executive Directors	Hyun-cheol Yoon Independent Directors	Jeong-hoon Kwon Independent Directors	Chan-joong Park Independent Directors	Suk-young Ryu Independent Directors
Leadership	●	●	●	●	●	●
CEO experience	●				●	
Risk management	●	●	●	●	●	●
Finance/Accounting			●			
Legal/Regulatory		●	●	●		
Industry experience	●	●			●	
Gender	Male	Male	Male	Male	Male	Female

3) Industry experience is presented in compliance with GICS (Global Industry Classification Standard), an industry classification system jointly developed by global investment institutions to consistently classify companies worldwide

Director and Board Chairman Appointment

HD Hyundai Marine Solution appoints directors following fair and transparent procedures. Directors are approved as individual agenda items at the General Meeting of Shareholders, and independent directors are selected from candidates recommended by the independent director nomination committee. Key personal information and interest information of director candidates is disclosed in advance, and stability of Board operations is secured through the appointment of the Board Chair and an acting-chair framework. In the process of recommending and selecting director candidates, the Company considers expertise in various fields, including law, accounting, and business strategy, and in particular, independence disqualification reasons including conflicts of interest with the Company are thoroughly reviewed for independent director candidates.

CEO Succession Regulations

CEO Succession Regulations

HD Hyundai Marine Solution systematically operates CEO succession policies and procedures based on 'CEO Succession Regulations,' and operates a deliberation committee for CEO succession plan formulation, candidate identification and development, and final candidate selection. The CEO must be someone who can present the Company's future vision considering shareholders and stakeholders' interests based on extensive experience, expertise, and management capabilities. Accordingly, the Company discovers candidates through advanced evaluation procedures and systematic development strategies, and constantly operates succession preparation processes including position assignment and management. CEO candidate groups are selected through the deliberation committee, and various development programs including job rotation, inter-affiliate transfers, and strategy training are operated targeting internal candidate groups to continuously strengthen next-generation CEO capabilities.

Corporate Governance

Board Operations

Board Independence, Diversity, and Efficiency System

HD Hyundai Marine Solution operates on the principle of composing the Board with 7 or fewer members, and requires that the majority be independent directors so that the Board can perform independent functions from management and the controlling shareholder. Furthermore, the Board is regulated to be composed of people with diverse expertise and backgrounds to strengthen its role as a substantive decision-making body.

Board Independence | HD Hyundai Marine Solution has established a robust governance framework to strengthen Board independence and expertise. The Company preemptively prevents conflicts of interest by limiting independent directors from serving as directors in the same industry and serving as independent directors of 3 or more companies in accordance with the Commercial Act and internal regulations. Furthermore, the Board is composed of a majority of independent directors independent from management and the controlling shareholder, so that independent and objective decision-making can be made. Independent directors are selected after passing the fair and rigorous examination of the Independent Director Nomination Committee, and are confirmed to have no significant conflicts of interest with the Company before taking office. Such appointment procedures and related matters are transparently disclosed publicly. Furthermore, independent directors are required to submit confirmation forms at the time of taking office proving no significant conflicts of interest, and the Company provides necessary information and materials in a timely manner so that independent directors can faithfully perform their roles. Through this, the Company provides a foundation for the Board to make responsible decisions and contributes to establishing a sustainable governance system.

Board Independence Requirements and Compliance Status

Criterion	Independent Directors			
	Hyun-cheol Yoon	Jeong-Hoon Kwon	Chan-joong Park	Suk-young Ryu
❶ Must not have been employed by the company as a member of management (CEO or below) within the past year	●	●	●	●
❷ The director, their spouse, and lineal ascendants/descendants must not have received monetary support exceeding $60,000 from the company, its parent, or its subsidiaries during the most recent three fiscal years	●	●	●	●
❸ The director and their family must not have been employed as an executive of the company, its parent, or its subsidiaries within the past three years	●	●	●	●
❹ Must not serve as an advisor, consultant, or member of the senior management of the company	●	●	●	●
❺ Must not have a transaction or affiliation relationship with a non-profit organization (NGO), etc., that receives substantial donations from the company	●	●	●	●
❻ Must not have worked as a partner or employee of the company's external audit organization during the past year	●	●	●	●
❼ Must not have entered into a personal service contract with the company or its senior management	●	●	●	●
❽ Must meet other independence requirements set by the Board, with no other conflict of interest with the company	●	●	●	●
❾ Independent directors must have no relationship with the Company's major customers or suppliers	●	●	●	●

Board Efficiency | HD Hyundai Marine Solution holds regular Board meetings at least once per quarter and convenes extraordinary Board meetings from time to time as needed. In addition, to enhance the efficiency of Board operations and enable in-depth decision-making, the Company shares the purpose of the meeting and major agenda items in advance before each Board meeting is held. In 2025, the average attendance rate at Board meetings was 100%.

Board Diversity | HD Hyundai Marine Solution seeks to maintain a Board composition that reflects both diversity and professional expertise. In selecting directors, candidates are evaluated on an equal qualification basis without discrimination based on nationality, age, gender, background, race, religion, ethnicity, or any other protected characteristic. Independent directors are composed of people with expertise and experience in diverse fields including management, business strategy, law, and accounting, thereby strengthening Board expertise. Additionally, as of the end of March 2026, 1 of 4 independent directors is a female director, contributing to improving diversity within the Board.

Independent Director Training | HD Hyundai Marine Solution provides continuous training for independent directors to effectively perform their roles. In November 2025, all 4 independent directors attended training conducted by Ernst & Young Korea, with in-depth discussions on the global economic outlook according to global management environment changes and domestic and overseas trends and considerations that the Audit Committee should focus on in 2026. Through this training, independent directors gained valuable insights into developments in the corporate management environment and established a foundation for making important contributions to future Board activities.

Independent Director Training Status

Date	Training Provider	Attendees	Attendance (persons)	Main Training Content
2025.11.27	Ernst & Young Korea	Independent directors	All (4 persons)	• Global economic outlook in line with changes in the global business environment • Domestic and international trends and considerations the Audit Committee should focus on in 2026

Corporate Governance

Board Activity

Board Meeting Convocation and Proceedings

HD Hyundai Marine Solution's Board of Directors holds regular meetings in the first month of each quarter, with extraordinary meetings convened as needed. Meetings are called by the CEO, who notifies directors of the schedule, venue, and agenda by the day before—though meetings may be held without notice if all directors consent. Resolutions require a majority of directors present and a majority vote of those present, while matters involving usurping corporate opportunities or self-dealing under the Commercial Act require at least two-thirds approval; directors with a conflict of interest may not vote on the relevant agenda item.

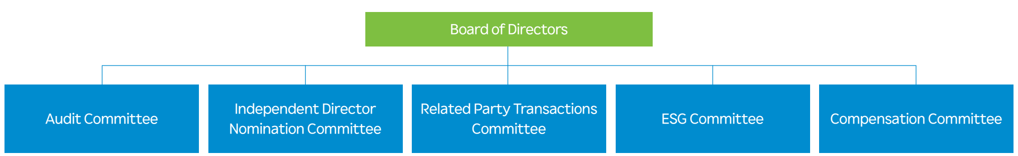
In 2025, the Board met seven times, handling 20 resolution items and 12 reporting items. All resolution items were approved unanimously by all directors, recording a 100% resolution rate, and both executive and independent directors recorded a 100% attendance rate.

Committees within the Board[1]

The Company operates a total of 5 committees within the Board: Audit Committee, Independent Director Nomination Committee, Related Party Transactions Committee, ESG Committee, and Compensation Committee.

1) As of end of March 2026

Board Organizational Chart



Committee	Roles and Responsibilities
Audit Committee	Performs the role of independently monitoring and supervising management, conducting accounting and work audits, and exercising reporting demand rights. Composed entirely of independent directors, with an independent director possessing extensive experience and expertise in the financial sector selected as Audit Committee Chairman to strengthen independence and expertise.
Independent Director Nomination Committee	Performs the function of recommending independent director candidates to be selected at the General Meeting of Shareholders. As of end of March 2026, 80% of the Independent Director Nomination Committee is composed of independent directors to secure independence.
Related Party Transactions Committee	Performs formulation of basic policies on transactions between the Company and affiliates and operation status inspection of transaction counterparty selection standards. As of end of March 2026, 80% of the Related Party Transactions Committee is composed of independent directors.
ESG Committee	A body making decisions on the Company's ESG strategic direction, plans, and implementation-related matters. As of end of March 2026, 80% of ESG Committee members are independent directors to secure objectivity.
Compensation Committee	Established as of February 2025. The Compensation Committee is established and operated to secure objectivity and transparency in the compensation determination process for directors and executives. Composed entirely of independent directors to secure independence.

Board Evaluation

Executive Performance Evaluation

The remuneration of internal directors is determined within the remuneration limit approved at the General Shareholders' Meeting in accordance with the Articles of Incorporation, and is paid following Board approval, taking into account both base salary and performance-based compensation. When calculating performance-based remuneration, long-term incentives are reflected in order to prevent decision-making focused on short-term performance and to induce long-term corporate value creation. Long-term incentives are operated on a cash compensation basis, and the performance evaluation period is up to seven years. The final payment amount is calculated after the deferral period ends, comprehensively reflecting indicators such as organizational evaluation and net income. Under the Company's clawback policy, incentive awards may be reduced, cancelled, or recovered if internal requirements are not met.

Executive Performance Compensation Calculation and Standards

	Category		Compensation System	Compensation Evaluation Items
Executive Directors	Calculation Criteria	Basic Annual Salary	• The basic annual salary consists of basic pay and position pay, and is paid in equal monthly installments 1) Basic pay: Determined by position (rank) 2) Position pay: Determined by responsibilities (role)	• Payment is set and made based on position (rank) and role
		Performance Incentives	• Management incentives: Paid based on the year's organizational performance, individual evaluation, operating profit, etc. • Long-term incentives: Calculated based on organizational performance and net income during the deferral period, and paid after the deferral period ends	• Determined by the following: 1) Quantitative indicators: Sales, orders, operating profit, etc. 2) Qualitative indicators: Leadership, professional expertise, and responsibility in achieving business performance, etc.

Board Performance Evaluation

HD Hyundai Marine Solution introduced a Board evaluation framework in February 2025 to assess the adequacy of Board composition and improve Board operation efficiency. The Board evaluation consists of a total of 35 questions in 6 areas: Board roles and responsibilities, structure, operation, Board committees, individual independent director activities, and reflection of evaluation results. The evaluation is conducted once annually in a self-evaluation method with all directors participating. As a result of the 2025 Board evaluation, there are no problems in Board composition and operation, and the Board is effectively fulfilling its roles and responsibilities.

2025 Board Compensation

(Unit: KRW)

Category	No. of Members	Total Compensation	Average per Person
Registered directors (excluding independent directors and Audit Committee members)	2	3,513,951,050	1,756,975,525
Independent directors	4	336,000,000	84,000,000
Total	6	3,849,951,050	641,658,508

Shareholder Value

Enhancing Shareholder Value

Shareholders and Capital Composition

As of end of 2025, HD Hyundai Marine Solution's total issued shares are 44,831,335 shares, with common stock capital of KRW 22,415 million. The Company's largest shareholder is HD Hyundai, holding 55.32% of total issued shares. The Company continuously strives to enhance long-term shareholder value by implementing transparent disclosure and shareholder return policies for all shareholders.

Shareholding Status

Category	Relationship	Shares Held (shares)	Ownership (%)
HD Hyundai Co., Ltd.	Largest shareholder	24,800,000	55.32
Global Vessel Solutions, L.P.	External institution	4,480,000	9.99
National Pension Service	External institution	3,039,130	6.78
GIC[1]	External institution	2,867,749	6.40
Ki-dong Lee	Affiliated individual	7,375	0.02
Byung-rak Yoon	Affiliated individual	2,500	0.01
Jeong-hyeok Kim	Affiliated individual	2,750	0.01
Sung-joon Kim	Affiliated individual	530	0.00
Cheol-gyu Yoon	Affiliated individual	10	0.00
Others	Minority shareholders	9,631,291	21.48
Total	-	44,831,335	100.00

1) Considering that, in the prior year's disclosure, the shareholdings of The Government of Singapore and the Monetary Authority of Singapore were disclosed on a combined basis, the GIC-related shareholdings are recorded as "GIC" in this shareholding structure without distinguishing them separately.

Share Ownership Status

Category		Unit	Shares Held
Shareholding	CEO shareholding relative to base salary	Times	2.13
	Shares held by the CEO	Shares	7,375
	Year-end share price	KRW	193,500
	CEO basic pay	KRW million	669

Shareholder Rights Protection

HD Hyundai Marine Solution operates various systems to protect shareholders' rights and expand participation in the General Shareholders' Meeting. The Company participates in the program for the voluntary dispersion of shareholders' meeting dates, which avoids the concentrated meeting period and autonomously adjusts the schedule, thereby creating an environment in which more shareholders can effectively exercise their voting rights. In addition, amendments to the Articles of Incorporation are carried out through a special resolution at the General Shareholders' Meeting in accordance with relevant laws and the Articles of Incorporation.

HD Hyundai Marine Solution supports shareholders in exercising their voting rights even without attending in person, through a proxy voting solicitation system, and provides sufficient information and prior explanations on the agenda items. To improve the convenience of shareholder participation, the Company introduced electronic voting through a Board resolution in February 2025 and implemented it for the first time at the 9th Annual General Shareholders' Meeting held in March. When holding the Annual General Shareholders' Meeting, the Company transparently shares key matters such as agenda items and venue through disclosures and notices so that shareholders can sufficiently review them in advance, thereby substantively safeguarding shareholders' right to information and right to participate.

Notice and Date of General Meeting of Shareholders

Category	Resolution Date	Notice Date	General Meeting Date
10th Regular General Meeting of Shareholders	2026.02.20	2026.02.23	2026.03.24

10th Regular General Meeting of Shareholders

Agenda Items	Details		Approval Status
Approval of financial statements	Item 1	Approval of 10th financial statements	Approved as proposed
Amendment to the Articles of Incorporation	Item 2	Partial amendment to the Articles of Incorporation	Approved as proposed
Appointment of directors	Item 3	Appointment of directors (two executive directors)	Approved as proposed
Approval of Audit Committee members	Item 4	Appointment of audit committee members (two independent directors)	Approved as proposed
Approval of directors' compensation limit	Item 5	Approval of directors' compensation limit	Approved as proposed

Shareholder Value

Enhancing Shareholder Value

Mid- to Long-term Shareholder Return Policy

Corporate Value-up Program

HD Hyundai Marine Solution disclosed dividend basic principles through its securities registration statement upon listing on May 8, 2024, and reconfirmed these principles through corporate value enhancement plan disclosure in December of the same year. Accordingly, the Company plans to pay dividends at a level of 50%–70% of net income on a separate financial statement basis for 3 years after listing (2024–2026). The Company will continue to enhance shareholder value through sustainable growth and profitability expansion, and continued enhancements in corporate governance.

Four Core Initiatives for Corporate Value Enhancement

Maintain sustainable growth	Expand profitability	Pursue active shareholder returns	Improve governance
• Maintain 20% CAGR in core business sales by 2028 - Expand green retrofit business to comply with environmental regulations - Launch new digital platform and aftermarket businesses	• Achieve a company-wide EBIT margin of 16% by 2028 • Target ROE of 30% or higher by 2028	• Maintain a dividend payout ratio of 50 to 70% over the next three years[1] • Provide predictability in dividend payments • Implement a mid- to long-term shareholder return policy, including quarterly dividends (four times a year) • Announce a three-year dividend policy annually	• Achieve a corporate governance compliance rate of at least 90% within three years - Appoint an Independent director as Chair of the Board - Ensure dividend visibility (by separating the dividend record date) - Introduce electronic voting - Establish an audit support body

1) Based on the separate net income

Shareholder Communication Strategy

HD Hyundai Marine Solution holds regular investor relations (IR) briefings along with quarterly operating (preliminary) result disclosures for smooth communication and trust building with shareholders and stakeholders. Major information including earnings releases, Annual General Meeting holding and voting rights matters, business reports, shareholder composition and status, and financial results are transparently disclosed through the Company's website and the DART electronic disclosure system.

Shareholder Communication IR Strategy

Category		Objective	Action Plans
Strengthening shareholder trust	Strengthen communication with domestic and international investors through C-level-Investor meetings	Provide reliable information on the company's direction and business outlook directly from key executives	• Hold meetings with HD Hyundai Group executives • Host Investor Day and participate in domestic and overseas conference days • Conduct regular earnings announcements (four times a year) • Enhance ad-hoc investor engagement (company visits, etc.)
Principle of equal treatment for investors	Provide equal information	Ensure shareholder equality by adhering to the principle of equal information provision	• Disclose information through the company website or other disclosure methods • Strengthen disclosure practices • Provide English disclosures and earnings announcements for overseas investors

Enhancing Shareholder Value through Expanded Communication between Management and Investors

C-Level (meetings) 2025 **9** times	Domestic Investor Conferences 2025 **14** times	Overseas Investor Conferences 2025 **6** times
IR Letter Publication 2025 **4** times	Broadcast of Earnings Announcements in English Conducted in 2025	Disclosures in English 2025 **11** times

ESG Through the Eyes of Our Employees

Q. What impact does ESG management activity have on shareholder value?

A. ESG management has a positive effect on shareholder value in terms of corporate risk management and securing a foundation for mid-to-long-term growth. The Company systematically manages strategy and performance through the ESG Committee, and based on this, it pursues the enhancement of corporate value and shareholder value at the same time. In particular, the effect of securing investor trust is emerging through transparent disclosure and improvements in governance.

Q. Are there any new projects or plans you intend to pursue to increase shareholder value going forward?

A. Going forward, from an investor perspective, the Company plans to pursue its business with a focus on stable and predictable business performance. In particular, by securing growth based on a stable revenue structure centered on the aftermarket, and by expanding new businesses and global operations, the Company plans to strengthen its mid-to-long-term growth trajectory. This strategy will be continuously shared with the market through IR communication, leading in the direction of enhancing shareholder trust.

Q. What activities or systems is the Company implementing to strengthen communication with shareholders?

A. The Company strengthens direct communication with shareholders through IR activities and investor briefing sessions in which management directly participates. It is also expanding global investor communication channels, such as providing English-language IR materials, and is improving shareholder accessibility and convenience through the adoption of an online dividend inquiry service. These activities serve as a key means of strengthening communication based on transparency and trust.

Q. Are there cases where feedback received from shareholders through communication has been reflected in management decision-making?

A. Through IR meetings and conferences targeting global investors, the Company gathers diverse opinions on its business structure and growth strategy and reflects them in management decision-making. In particular, the way the Company explains its growth trajectory and revenue structure—matters investors view as important—has been continuously improved in its IR messaging and communication approach. Through this, the Company enhances investors' understanding and ensures that the market's assessment of corporate value can be reflected more accurately.

Interview with Eun-jeong Kim, Senior Manager, IR Team

Shareholder Value

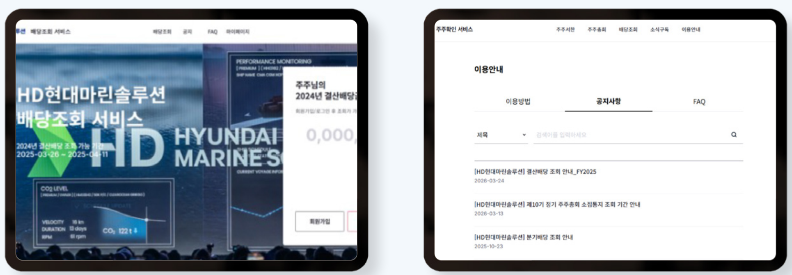
Shareholder Value Enhancement Activities

Online Dividend Inquiry Service

Online Dividend Inquiry Service

HD Hyundai Marine Solution advances ESG management and improves information transparency and shareholder convenience through the online 'Dividend Inquiry Service' introduced in July 2024. Through this service, the Company provides dividend information and Annual General Meeting-related news to shareholders, reducing paper use and reducing carbon emissions in the mailing process through the online service. It also contributes to reducing the risk of personal information leakage from paper dividend notices. Shareholders can use the service through a simple registration process and access it through the Company's website. Through this, shareholders can easily check year-end dividend details anytime and anywhere, and can conveniently check related notices such as Annual General Meeting convening notifications, contributing to protecting shareholder interests and improving convenience.

HD HMS Online Dividend Inquiry Service Website



Dividend Status

(Unit: KRW 100 million)

Category	2022	2023	2024	2025
Consolidated net income	1,049	1,511	2,279	2,696
Interim dividend	100	200	200	941
Year-end dividend	700	800	1,210	830
Total dividend	800	1,000	1,410	1,771
Dividend payout ratio[1]	76%	66%	62%	66%

1) Based on the consolidated net income

Compliance with Core Governance Indicators

HD Hyundai Marine Solution met 14 of the 15 core governance indicators, achieving a compliance rate of 93.3%, and has been assessed as having excellent governance since its first year of listing. By implementing measures such as the adoption of electronic voting, enhanced dividend predictability, and the appointment of an independent director as Board chairperson, the Company is strengthening governance soundness and expanding the protection of shareholder rights and interests. In particular, the Company's maintenance of a high dividend payout ratio through cash dividends is regarded positively as a demonstration of respect for shareholder rights.

Corporate Governance Core Indicators

Category	Core Indicator	(Disclosure Period) Compliance Status
Shareholder-related policies and systems	• Announce the general meeting of shareholders at least four weeks in advance	●
	• Implement electronic voting	●
	• Hold the general meeting on a date other than a concentrated date	●
	• Provide predictability regarding cash dividends	●
	• Notify shareholders of the dividend policy and payment plan at least once a year	●
Board and management transparency	• Establish and operate a CEO succession policy	●
	• Establish and operate an internal control policy, including risk management	●
	• Appoint an independent director as the board chair	●
	• Adopt cumulative voting	No
	• Establish a policy to prevent appointing executives responsible for damaging corporate value or infringing shareholder rights	●
	• Maintain board composition with more than one gender	●
Internal audit and control	• Establish an independent internal audit department (support organization for internal audit)	●
	• Include accounting or financial experts in the internal audit body	●
	• Hold meetings between the internal audit body and external auditor at least once per quarter without management present	●
	• Establish procedures for the internal audit body to access important management information	●

Shareholder Value

Shareholder and Stakeholder Communication

Management-led IR Activities for Sustainable Growth

HD Hyundai Marine Solution has been actively pursuing management (C-Level) centered IR activities to enhance corporate value and increase shareholder trust since listing in May 2024. Over the past year, the Company held a total of 5 management briefings and investor conferences, strengthening direct communication with major domestic and overseas institutional investors and shareholders. Furthermore, beyond simple information provision, the Company maintains continuous communication on long-term growth strategies, business prospects, and shareholder return policies, contributing to the establishment of transparent management and responsible corporate governance. Going forward, the Company plans to continuously expand stakeholder-centered communication systems for sustainable growth.

2025 → 2026

01	January 10, 2025	HD Hyundai Management	New Year Meeting (Yeouido)
02	April 28–30, 2025	HD Hyundai Management	Conference (Hong Kong, Singapore NDR)
03	June 25, 2025	HD Hyundai Investor	Meeting (Yeouido)
04	September 23-24, 2025	HD Hyundai Management	Conference (Hong Kong, Singapore NDR)
05	January 14, 2026	HD Hyundai Management	Investor Meeting (Yeouido)

Strategic Message

Beyond Explanation: Designing Trust

Direct communication with C-level
CEO and key executives directly participate to convey the company's authenticity and leadership

NDR for global Investors
Expand engagement with global investors through activities in Asia's financial hubs

ESG-focused communication
Deliver messages focusing not only on financial performance but also on ESG strategies and achievements

Impact

Communication Achievements in Numbers

Five major events held, with the CEO attending two in person

Hosted two global NDR[1] in major Asian financial cities
1) NDR (Non-Deal Road Show): Investor presentation

Enhanced the level of ESG disclosure based on investor feedback

Reviewing plans to formalize regular investor communications
Use user-friendly materials and social media to improve accessibility for retail investors

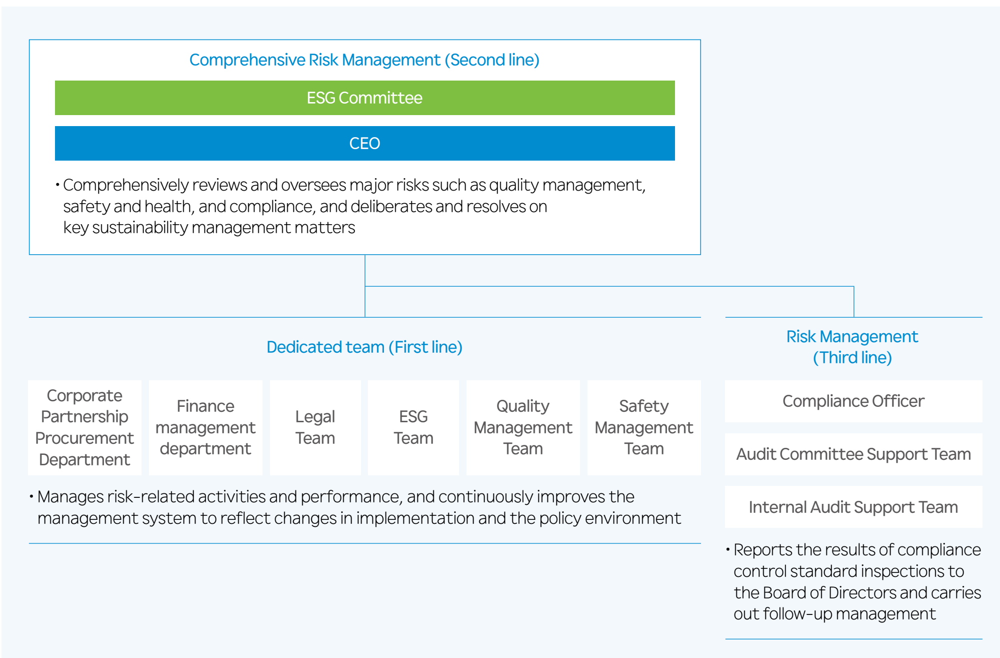
Risk Management

Risk Management Governance

Risk Management System

HD Hyundai Marine Solution operates a risk management system to systematically identify risks that may affect overall business operations and develop effective mitigation measures. The Board reviews and supervises major risks including quality management, safety and health, and compliance in an integrated manner, and through the ESG Committee under the Board, pre-reviews and approves major matters related to sustainability management. The Compliance Officer also reports compliance control standard inspection results to the Board for post-management. For detailed risk management, dedicated departments and specialists are designated for each area to perform risk response activities and efficiently manage performance, and the system is continuously updated to reflect changes in market conditions and the regulatory environment.

Risk Management Organizational Chart



Risk Management Activity

Risk Management Process

HD Hyundai Marine Solution categorizes risks that may occur across corporate management into ethics/misconduct risks, information security risks, procurement risks, subsidiary management risks, etc., and manages them by setting risk appetite for each type. In particular, a zero tolerance principle is applied to employees' violations of integrity obligations and unfair transactions with suppliers, while procedural deficiencies are addressed through corrective actions and managed within acceptable risk levels.

For identified risks, priorities are derived by evaluating probability and impact as criteria, and audits are conducted in three categories—ordered/planned audits, regular operational audits, and misconduct/whistleblower-report audits. For ethics/misconduct risks, disciplinary actions were taken against violators following audit findings. Regarding information security risks, the Company assessed the potential for technology asset leakage through security audits for retiring employees and implemented the necessary response measures.

The Company also continuously monitors risk management status by regularly reviewing risk exposure levels at least twice annually. In April 2026, the Company plans HMST technical service sector business inspection (appropriateness of service company selection, interim payment execution procedures, overseas branch contract status, etc.) and in September, a procurement business inspection (procurement processes, material management, service contract bidding procedures, etc.). The results of inspection are reported to the Audit Committee. Additionally, the Company operates periodic ethics risk inspection programs including ethics and compliance self-inspection (December) and ethics management practice pledge collection (Q1) to constantly monitor risk exposure status.

The appropriateness of these risk management processes is verified through internal audits and external audits (ISO 37001). Internally, the Internal Audit Support Team conducts audits in accordance with the annual audit plan, results are regularly reported to the Audit Committee, and improvement measures are implemented for identified deficiencies. Externally, the appropriateness of risk management processes is confirmed through an independent verification body in the Sustainability Report assurance process.

1 Risk Identification
- Categorizing risks by type, such as ethics/misconduct, information security, purchasing/procurement, and subsidiary management
- Identifying emerging risks by type
- Setting the risk acceptance range

2 Risk Analysis and Assessment
- Assessing risks based on likelihood and impact
- Prioritizing risks based on assessment results

3 Risk Management and Response
- Conducting audits suited to risk characteristics, divided into three tracks: ordered/planned audits, regular operational audits, and misconduct/whistleblower-report audits
  - Ethics/misconduct risks: Completed disciplinary actions against violators based on audit results
  - Information security risks: Completed inspection of potential technology-asset leakage and response measures through security checks on departing employees

4 Risk Monitoring
- Conducting regular risk-exposure level checks at least twice a year and reporting the results to the Audit Committee
- Continuously monitoring risk-exposure status by operating an ethics risk inspection program

Risk Management

Risk Management Activities

Financial Risks

Financial Risk Classification and Management Measures | HD Hyundai Marine Solution classifies and manages financial risks into three categories: market risk, credit risk, and liquidity risk. The Company operates a Foreign Exchange Risk Management Committee as its highest decision-making body for FX risk policy, convening as needed to minimize value changes and losses from exchange rate fluctuations. Beyond Korean won, the Company is exposed to foreign exchange risk from USD, EUR, and other currency transactions, as well as market risk from financial instrument price fluctuations, and continuously manages these risks within acceptable ranges while optimizing profitability.

Category	Monitoring Target	Details	Risk Response Activities
Market	Foreign exchange	• Sales and purchases denominated in currencies other than the Korean won • Identifying foreign exchange positions • Foreign exchange and interest rate hedge transactions • Maintaining records of FX transaction gains and losses, etc. • Reviewing derivatives and executing transactions	• Reviewing the execution of hedge transactions to ensure stable business operations by eliminating in advance the uncertainty of gains and losses arising from exchange rate fluctuations • Carrying out hedge transactions for risk-avoidance purposes
	Interest rate	• Interest-bearing financial instruments	• Regularly monitoring interest rate trends
Credit	Contracts	• Transaction and investment contracts	• Operating a credit policy • Assessing the risk of receivables expected to default and reflecting them in the consolidated statement of financial position
Liquidity	Financial liabilities and operating funds	• Inability to meet obligations related to financial liabilities	• Maintaining sufficient liquidity to repay debts without incurring unacceptable losses or risking damage to reputation
Tax	Tax rates and tax laws	• Corporate income tax	• Monitoring compliance with tax regulations • Complying with tax regulations through expert consultation and observation of tax trends

Internal Control

HD Hyundai Marine Solution operates an internal accounting management system to enhance the transparency of accounting information and provide reliable information to external stakeholders. Established based on relevant laws and enforcement decrees, the system's adequacy and efficiency are continuously managed through a dedicated organization. Each year, the CEO reviews the system's operating status and reports the results to the Audit Committee, the Board of Directors, and the General Shareholders' Meeting. Improvements identified during operation are reflected through consultation among the external auditor, the responsible operating departments, and the system's performance is verified annually through an external audit.

Non-financial Risks

HD Hyundai Marine Solution classifies and systematically manages non-financial risks into major areas including environment, supply chain, safety and health, quality management, and ethics/compliance, building a preemptive response system centered on prevention.

Non-financial Risk Classification and Management Activities

Category	Monitoring Target	Risk Response Activities
Environment	Climate change Environmental pollution Water resources/biodiversity	• Obtain and maintain ISO 14001 (Environmental Management System) • Obtain and maintain ISO 50001 (Energy Management System) certification
Supply Chain	Supplier sustainability	• Comply with the supplier code of conduct • Conduct supply chain ESG assessments • Support suppliers in ESG management
Safety and Health	Fire and safety incidents	• Obtain and maintain ISO 45001 (Occupational Health and Safety Management System) certification • Maintain three dedicated safety and health personnel • Manage suppliers and improve their safety and health levels • Establish a safety and health management system • Proactively manage risks • Implement prevention-focused health management
Quality Control	Product and service quality	• Establish and operate a quality management system • Maintain regulatory compliance and quality certifications • Reflect customer and stakeholder requirements • Obtain ISO 9001 (Quality Management System) certification • Manage supplier quality
Ethics and Compliance	Legal compliance Fair trade	• Establish a code of ethics • Operate reporting channels and investigate reports of unethical conduct and compliance violations • Provide ethics training for employees • Operate internal controls • Obtain ISO 37001 (Anti-corruption Management System) certification • Establish an anti-corruption management system
Information Security	Information security and cyber threats	• Conduct phishing (malicious email) simulation drills • Carry out emergency security inspections • Conduct third-party audits on general information and communications technology • Obtain and maintain ISO 27701 (Privacy Information Management System) certification

Risk Management

Risk Management Activities

Emerging Risk Identification and Response

HD Hyundai Marine Solution proactively identifies and systematically monitors emerging risks that can significantly affect management. In particular, the Company continuously responds to major issues including tightening global environmental regulations and the increasing complexity of ESG disclosure requirements. Additionally, the Company is actively identifying emerging risks with high uncertainty from a long-term perspective, strengthening its management framework to support long-term sustainability by establishing impact assessments and response strategies.

Emerging Risks

Field	Data Regulation and Data Sovereignty Strengthening Risk	Uncertainty in Environmental Regulatory Developments
Category	Regulation	Strategy
Definition	In major countries and regions worldwide, regulations on data protection and restrictions on cross-border data transfers (data localization) are being strengthened, and in the shipping and shipbuilding industries the likelihood of such regulations applying to vessel operation data, maintenance data, and digital platform data is also expanding. These regulations impose differing requirements by country, and may spread across digital-based industries in the future.	In the global shipping industry, decarbonization is accelerating in line with stronger environmental regulations from the IMO and the EU, and demand is expected to grow for green vessel retrofits, conversion to alternative fuels, fuel-efficiency improvements, and voyage-optimization solutions. However, because the intensity and application of marine environmental regulations may vary depending on consultations among the international community and stakeholders, the level of technological development, and the industry's response conditions, the future regulatory level is difficult to predict. In particular, while the direction of strengthening decarbonization-related regulations is clear, uncertainty remains regarding the applicable technologies and fuels and the pace of tightening. Accordingly, sustainable technology and solution businesses—such as retrofits, alternative-fuel conversion, and voyage-optimization solutions—may see their market demand and business opportunities shift with changes in the regulatory environment.
Impact	The operating methods of data-based businesses—such as remote monitoring, predictive maintenance, and digital service platforms—may be restricted by country-specific regulations. As a result, local data storage, the establishment of distributed management systems, and the operation of separate infrastructure may be required, potentially increasing IT investment and operating costs. In addition, if integrated data analysis is restricted, it may lead to a decline in service quality and a weakening of the capability to provide globally integrated services, and over the long term may affect the scalability of digital-service-centered business models.	The company's sustainable solutions business is growing on the basis of the potential for expanded demand from stronger environmental regulations, but if the intensity and timing of regulations unfold differently from expectations, its business direction and market response strategy may be affected. If tightening is more gradual than expected or detailed standards are adjusted, shipowners' and shipping companies' investment decisions may be delayed, pushing back when related retrofit demand materializes. Conversely, if regulations strengthen faster than expected or their scope expands, demand centered on specific technologies and equipment may change rapidly, requiring a realignment of business direction and resource allocation. Differences in regulations by country and region may also increase uncertainty in operating the technology portfolio, customer proposal strategies, setting business priorities, and establishing mid- to long-term investment plans.
Response Activities	HD Hyundai Marine Solution continuously monitors global data regulation and policy trends, and is refining its data governance framework and internal management standards. It is also reviewing system structures capable of responding to region-specific regulations and strengthening its capacity to respond to regulatory changes by advancing its data management framework.	The company continuously monitors global environmental regulation trends including those of the IMO and the EU, marine-environment policy discussions, and the shift toward low-carbon fuels and technologies. By operating a diverse solution portfolio—including existing environmental-regulation businesses such as EGCS and BWTS, as well as DF (dual-fuel) retrofits, FSRU and re-liquefaction equipment, and voyage-efficiency-based Small Retrofit services—it reduces dependence on any particular regulation or technology. It also flexibly adjusts its business priorities and response strategies in line with market and regulatory changes, and is strengthening its flexibility in responding to regulatory changes through collaboration with major shipbuilders, equipment manufacturers, and affiliates.

Spreading a Risk Management Culture

HD Hyundai Marine Solution recognizes that risk management is the responsibility of all executives and employees rather than the role of any single department, and operates a variety of programs to embed this as part of its organizational culture.

Institutionalization of Risk Management Culture among employees

Company-wide Training
Conducts ethical management group training throughout the year for new hires (entry-level and experienced) and by department, and collects ethical management practice pledges from executives, employees, and suppliers in the first quarter

Self-Inspection Program
Each December, employees check their own level of awareness of ethics risks through an O/X (true/false) quiz-style self-inspection on ethical management compliance

Holiday Campaign
Around the Lunar New Year and Chuseok holidays, prevents the risk of improper solicitation by conducting online training on standards for performing duties with integrity and providing guidance on the gift return system

Ongoing Promotion
Promote ethics awareness messages and public-interest campaigns each month through the company-wide notice board

Information Security

Information Security Governance

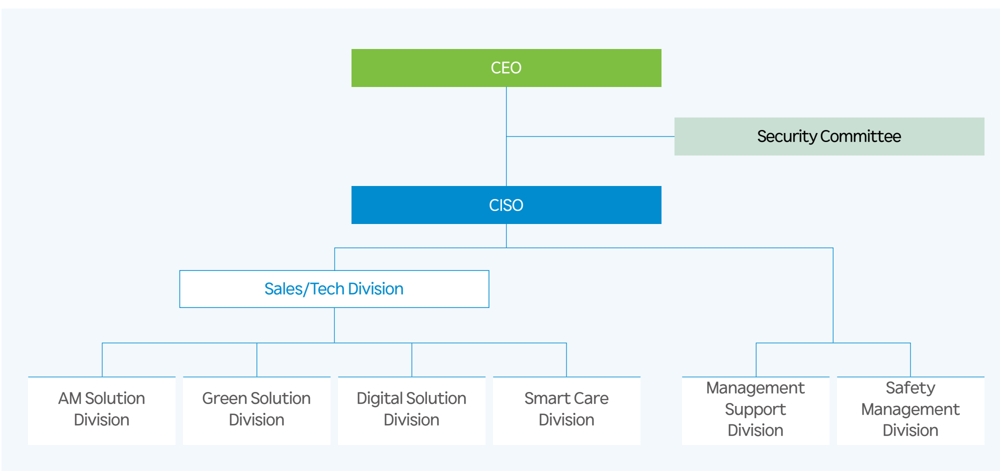
Governance Roles and Responsibilities

Role of Security Committee | HD Hyundai Marine Solution operates a 'Security Committee' with the CEO as Chairperson and division heads and executive-level officers of each business unit as responsible members. Security officers are also designated by business unit and department for dedicated handling of security-related work at each organizational unit, and through this, management is in place so that security management activities can be conducted systematically throughout the organization.

The Security Committee convenes as needed and performs management and supervision by reviewing the suitability and effectiveness of company-wide security-related regulations and deciding on establishment/revision and abolition. The Committee also deliberates and adjusts major security-related matters including security business plans and budgets, human resource securing, improvement measures and support for security level improvement, new technology introduction, security accident response and recurrence prevention measures formulation.

Role of Management | HD Hyundai Marine Solution designates a Chief Information Security Officer (CISO) with expertise in information security and personal information protection. The CISO formulates annual security plans for security work and performs activities to improve the security level by reporting related results and improvement and action plans.

Information Security Organization



Information Security Strategy

Information Security Strategy and Internalization

HD Hyundai Marine Solution carefully monitors security risks arising from the use of digital technology in management activities and has built a thorough response system, prioritizing the proactive identification and prevention of information security risks through regular inspections, training, and a strengthened company-wide security culture. When security incidents occur, the Company promptly reports and responds according to its guidelines, and continuously strengthens its information security framework through regulatory updates, security level diagnostics, and AI usage controls.

Information Security Policy

HD Hyundai Marine Solution has established an information security policy to prevent security incidents during employees' work, sharing it company-wide via its in-house system (HD Office). Based on relevant laws and internal standards, the policy is designed to proactively identify potential information security risks that may arise during business operations and establish response and monitoring systems, requiring all employees to comply with security standards and imposing responsibility for violations. Through policy compliance and continuous monitoring, the Company also safeguards the integrity of information data and major information assets, including personal information.

Information Security Regulations

HD Hyundai Marine Solution posts information security-related regulations on the intranet for all employees to check. Employees are required to review the information security regulations posted on the intranet and perform their duties in accordance with the detailed requirements set out in those regulations.

Information Security Regulation Operation | HD Hyundai Marine Solution operates an "individual demerit point system," assigning points to employees who violate information security regulations or fail to perform required security tasks, as identified through regular and unannounced inspections. Points vary by severity, with 2× penalties for a second violation of the same matter and 3× for a third or more. Points accumulate over 2 years, and once the total exceeds 10 points, the case is referred to the personnel committee for disciplinary action under employment and reward/penalty regulations.

Information Security Goal Setting

HD Hyundai Marine Solution annually establishes information security KPIs to strengthen its security management system, targeting continuous improvement by diagnosing Group security levels and implementing key action measures, with target grade achievement and action rate as evaluation indicators. The Company also sets detailed targets by period (first half, Q3 cumulative, and annual), and continuously improves security levels through initiatives such as revising company-wide security policy, conducting security training, reviewing business unit security grades, and formulating and reporting on business unit security promotion plans.

Information Security

Information Security Strategy

Responsible AI Guidelines

AI Use Company-wide Notice | HD Hyundai Marine Solution provides usage guidelines through company-wide notices so that employees can use generative AI responsibly and safely in work execution. The guidelines include various security issues including personal information protection precautions, supported/restricted functions by AI tool, and precautions on phishing sites disguised as installation pages, and provide guidance on responding to evolving technology environments. Through this, the Company supports employees to preemptively recognize and prevent security risks that may arise in the process of utilizing generative AI.

Information Security Training and Investment

Information Security Training | HD Hyundai Marine Solution regularly conducts security training on topics including Company information security system composition and utilization, matters to comply with and action guidelines during work execution, etc. for all employees including contract and part-time workers to improve security awareness. In addition, security training is conducted at least once per year for national core technology handlers and personal information handlers, and the monthly security training completion rate exceeds 90%, demonstrating a high level of employee compliance with security requirements.

2025 Information Security Training

Program	Participants	Details
New Employee Security Training	New employees	• Employee security guidelines, compliance with security pledges, protection of national core technologies and trade secrets
Security Officer Training	Chief Security Officer (CSO)	• Information security management system, security-related laws and regulations, roles and responsibilities of the CSO
Security Personnel Training	Security personnel	• Domestic and international security issues, security policies and systems, security activities, etc.
Personal Information Protection Training	Personal information handlers	• Personal information-related laws, measures for ensuring security, procedures for responding to data breaches, etc.
National Core Technology Handler Training	Personnel handling national core technologies	• Laws and export reporting procedures related to national core technologies, procedures for responding to technology leakage and infringement, etc.
Security Change Control Training	All employees	• Raising security awareness, phishing email prevention, precautions for using company laptops
Monthly Security Training	All employees	• Hold "Security Day" and provide training monthly (email security, document security, routine security, etc.)
Pre-Retirement Security Training	Employees to be retired	• Security review procedures for retiring employees, compliance with protection of national core technologies and trade secrets

Information Security Investment

Category	Unit	2024	2025
Investment percentage for information protection[1]	%	2.4	3.86

1) Percentage of total IT budget allocated to information protection investment

Information Security Risk Management

Personal Information Protection

Personal Information Protection Regulations and System | HD Hyundai Marine Solution recognizes the importance of personal information protection, and makes efforts to safely protect personal information of all stakeholders in the process of work execution. The Company establishes and applies personal information protection regulations for all employees company-wide and its suppliers, and complies with related laws including the Personal Information Protection Act. Through these efforts, the Company systematically manages the personal information of stakeholders, including customers, employees, and suppliers, to prevent it from being lost, stolen, disclosed, forged, falsified, or damaged. The Company also continuously inspects and improves implementation of administrative, technical, and physical protective measures for systems processing personal information to strengthen personal information protection levels, and implements safety securing measures to prevent risks that may occur in the personal information processing process.

Personal Information Collection and Processing | HD Hyundai Marine Solution collects only the minimum personal information necessary for application processing, customer consultations, and the provision of various services as mandatory items. Collected personal information is only utilized within the scope of pre-defined purposes, and if purposes change, prior consent from the information subject is obtained. After the purpose of personal information collection and use is achieved, the information is promptly destroyed, and when destroyed, it is safely processed using methods that cannot be recovered such as permanent deletion or incineration.

In principle, the Company does not use automatic personal information collection technology such as cookies, respecting information subjects' right of choice. However, if automatic collection is necessary, related content is notified through the personal information processing policy, and methods for the information subject to refuse this are also provided.

Rights and Obligations of Data Subjects | HD Hyundai Marine Solution respects the rights of data subjects, including requests to access, correct errors in, and delete their personal information, and faithfully carries out the measures necessary to fulfill these rights. When a data subject requests the correction of an error, the Company does not use the relevant information until it has been corrected, and when a deletion request is received, the Company deletes the personal information within 10 days after going through an identity verification procedure. Personal information processed by applying one of the following methods—complete destruction such as incineration or shredding, deletion of storage-device data using dedicated equipment, or initialization and overwriting so that data recovery is impossible—is no longer retained.

Rights of Data Subjects	
Access to personal information	Data subjects may request access to the personal information retained by the company at any time
Correction and deletion of personal information	Data subjects may request correction or deletion of the personal information retained by the company
Suspension of processing of personal information	Data subjects may request suspension of the processing of their personal information retained by the company

Information Security

Information Security Risk Management

Information Security Incident Response

Incident Response Process | HD Hyundai Marine Solution has established and operates a preemptive response system to monitor signs of information security incidents through regular monitoring activities (EDR integrated security events, firewall and intrusion prevention system log inspection, etc.) and detect security threat attempts. When incidents occur through employee reports, etc., an incident response team is immediately formed with the security manager at the center, including incident response practitioners, security control/analysis organization, and computer system personnel in accordance with the incident prevention and response manual, to respond. Subsequently, the incident type and progression are carefully analyzed, and post-accident response systems are established and operated by implementing corrective actions to prevent recurrence through system recovery and action in accordance with incident response procedures and manuals. In addition, HD Hyundai Marine Solution inspects the incident response process once per year to maintain the latest status and appropriateness of information security incident response procedures, and revises related procedures and regulations if necessary.

Information Security Incident Response Process

Information Security Diagnosis | HD Hyundai Marine Solution performs annual security level diagnosis to identify and remediate security vulnerabilities and strengthen its security framework, thereby enhancing its security level and corporate competitiveness.

Information Security Diagnosis Items and Corrective Actions

Category	Diagnosis
Managerial security (43 items)	Diagnosis of policy, organization, and operational status for security activities
Physical security (43 items)	Diagnosis of physical access control standards by security zone
IT security (44 items)	IT security diagnosis of servers, databases, and other information systems
Personal information protection (56 items)	Diagnosis of personal information (Recruitment, HR, Labor-Management relations) Life-Cycle management and safeguards
Technical security (2 areas)	Mock hacking of servers, network equipment, and external websites for vulnerabilities

HD Hyundai Marine Solution diagnosed information security levels through Group-level information security diagnosis based on essential inspection items, and identified vulnerabilities and deficiencies in each area. Accordingly, deficiency improvement requirements were derived and action measures were established. Of the 29 total deficiencies confirmed in the 2024 diagnosis, 16 have been completed, and the remaining 13 are to be completed in 2025 or are currently being improved. As a representative example, deficiencies in trade secret control procedures were identified, and improvement measures were implemented including introducing approval procedures from business unit division heads for large-volume email sending. For ongoing tasks, improvement directions and detailed implementation plans for mitigating deficiencies are established and continuously managed.

Information Security Risk Management Activities

Phishing Simulation | In accordance with group guidelines, HD Hyundai Marine Solution conducts malicious email simulation drills every quarter and receives the results. To raise employees' security awareness and strengthen their response capabilities, the company regularly runs the drills in two rounds: the first round targets all executives and employees, and the second round targets those identified as high-risk individuals (those who engaged in risky behavior) in the first round. After each drill, the company analyzes the quarterly trend in failure rate and shares the results, and provides guidance on domestic and overseas cases of malicious email damage and on response methods, thereby supporting employees in taking appropriate action when they receive a suspicious email. Through this, the company continuously heightens employees' security vigilance and works to prevent harm to the company.

Phishing simulation Results

Quarterly Phishing simulation result (company-wide)				
Quarter	Simulation subjects	Non-compliant users	Non-compliant rate (1st round)	Non-compliant rate (2nd round)
Q1	573	11	1.9%	0.2%
Q2	584	13	2.2%	0.2%
Q3	594	4	0.7%	0.2%
Q4	609	76	12.5%	0.5%

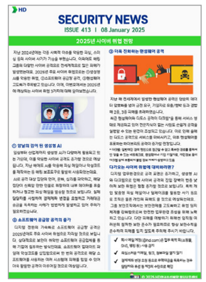
Information Security

Information Security Risk Management

Information Security Risk Management Activities

Information Security News | HD Hyundai Marine Solution announces monthly information security news at the Group level. Through this security news, the Company shares various security accident cases and response methods, latest security threat trends and attack techniques, and emerging IT-related issues and developments with employees. The Company also informs about security activities and information security policies being implemented or planned to protect in-house information including network security solutions and transmission medium use policies.

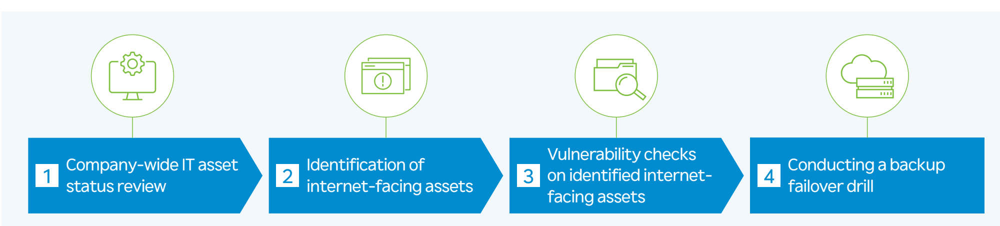
Through this, the Company supports employees to familiarize themselves with latest information security knowledge and preemptively prevent information security accidents to create a more secure working environment.



Emergency Security Check | At the request of the Ministry of Science and ICT, HD Hyundai Marine Solution conducted vulnerability checks focused on network-facing assets that connect directly to the internet—such as email and VPN—and also carried out a review of its backup system. Although it was not subject to mandatory inspection, in order to respond to the recent spread of security incidents, the company conducted a company-wide survey of its IT asset status, identified internet-facing assets, and performed vulnerability checks. As a result, it identified some vulnerabilities, such as inadequate patch management, and carried out improvement measures to address them.

In addition, to verify that the backup system operates properly, the company conducted a backup failover drill, and for systems where the backup failed, it plans to analyze the causes and carry out follow-up measures. Through these activities, the company proactively inspects and improves security vulnerabilities and works to strengthen its overall level of information security.

Emergency Security Check Items



Information Security Risk Management System

Information Security System Third-party Certification | HD Hyundai Marine Solution has built a safe security environment based on physical security including protected area designation and access rights management, administrative security including information security-related regulation establishment/revision, and technical security including network security to prevent and minimize information security risks. Having been recognized for excellence of these security activities through examination and verification by ISO certification bodies, the Company obtained ISO 27001 (Information Security Management System) certification in 2024, and maintains the certification through regular audits every 3 years to strengthen customer trust. In addition, the Company has obtained and maintained ISO 27701 (Personal Information Protection Management System) certification, being publicly recognized for systematically managing and protecting personal information.

Third-Party Audit of Information Technology General Controls (ITGC) | HD Hyundai Marine Solution has established a control system covering the overall operation of the IT functions required for its internal accounting control system, including the development and modification of IT programs and the management of data access rights. The Company also undergoes audits by a third-party organization in relation to Information Technology General Controls (ITGC)—covering infrastructure development for IT program operation, security management activities, and the acquisition, development, maintenance, and repair of information technology.

Third-Party Certification for Information Security Systems

Category	Certification Standard	Validity Period	Scope of Certification
HD HMS	ISO/IEC 27001:2022	February 2024 – February 2027	HD HMS Headquarters (GRC HQ) & Europe Subsidiary (Rotterdam HQ)
	ISO/IEC 27701:2019	February 2024 – February 2027	

Information Security Performance

	2023	2024	2025
Number of Information Leakage Incidents	0	0	0
Regulatory Violations	0	0	0

ESG DATABOOK

Financial Disclosure

Summary of Consolidated Statement of Financial Position

(Unit: KRW)

Category	2023	2024	2025
Current assets	597,262,316,831	1,075,525,917,500	1,186,808,812,306
Cash and cash equivalents	95,712,021,395	298,466,072,590	377,924,043,510
Trade receivables and other receivables	210,583,350,180	262,855,902,133	317,784,360,189
Inventories	237,628,471,757	273,426,858,792	270,685,735,418
Others	53,338,473,499	240,777,083,985	220,414,673,189
Non-current assets	59,355,829,665	76,702,050,981	85,511,246,495
Investments in associates	-	2,761,977,878	2,601,328,021
Long-term trade receivables and other receivables	4,855,764,006	9,789,412,821	6,634,929,429
Property, plant and equipment	11,181,576,523	19,580,721,658	29,559,680,434
Right of use assets	17,552,747,376	19,891,225,553	16,938,187,727
Intangible assets	4,136,666,510	4,529,713,640	5,080,844,582
Others	21,629,075,250	20,148,999,431	24,696,276,302
Total assets	656,618,146,496	1,152,227,968,481	1,272,320,058,801
Current liabilities	387,790,345,478	342,617,751,499	408,739,495,178
Non-current liabilities	28,860,949,538	36,075,655,424	38,855,708,155
Total liabilities	416,651,295,016	378,693,406,923	447,595,203,333
Equity attributable to owners of the Company	239,966,851,480	773,534,561,558	824,724,855,468
Issued capital	20,000,000,000	22,225,000,000	22,414,605,000
Capital surplus	20,000,000,000	384,624,026,600	404,355,786,690
Capital adjustments	510,842,984	29,503,673,294	9,763,880,122
Accumulated other comprehensive income	1,097,564,332	13,654,788,233	11,158,531,250
Retained earnings (deficit)	198,358,444,164	323,527,073,431	377,032,052,406
Non-controlling interests	-	-	-
Total equity	239,966,851,480	773,534,561,558	824,724,855,468
Valuation method for investments in associates and joint ventures	-	Equity method	Equity method

Summary of Consolidated Income Statement

(Unit: KRW)

Category	2023	2024	2025
Revenue	1,430,463,166,385	1,745,458,578,779	1,982,700,659,426
Operating profit	201,472,478,355	271,729,951,500	350,141,338,776
Profit (loss) for the year	151,116,175,331	227,940,276,635	269,571,288,127
Owners of the Company	151,116,175,331	227,940,276,635	269,571,288,127
Non-controlling interests	-	-	-
Basic earnings per share	3,778	5,304	6,013
Diluted earnings per share	3,776	5,275	6,013

Non-Financial Disclosure

Environmental Data

The reporting scope of ESG data in this report is defined as either "domestic," which covers HMS (headquarters and logistics center) and HMST in Korea, or "global," which covers data from both the headquarters and its five subsidiaries. In 2025, we standardized our data in line with HD Hyundai Group's ESG indicator standards and expanded the global reporting scope to include overseas subsidiaries.

- HMS: HD Hyundai Marine Solution headquarters and logistics center
- HMST: HD Hyundai Marine Solution Tech
- Overseas subsidiaries: European subsidiary, Americas subsidiary, Singapore subsidiary, Middle East subsidiary
- Domestic: HD Hyundai Marine Solution headquarters, logistics center, and HD Hyundai Marine Solution Tech
- Global: HD Hyundai Marine Solution headquarters, logistics center, HD Hyundai Marine Solution Tech, and overseas subsidiaries included

GHG Emissions[1)]

Category			Unit	Reporting Scope	2022[2)]	2023	2024	2025
Total GHG emissions	Scope 1 + location-based Scope 2	Emissions (total)	tCO_2eq	Global	955.32	1,287.32	1,434.96	1,433.63
		Emissions (intensity)[3)]	tCO_2eq/ KRW billion	Global	0.72	0.90	0.82	0.72
		Emissions	tCO_2eq	HMS	701.33	960.30	1,059.72	1,018.13
		Emissions (intensity)[4)]	tCO_2eq/ KRW billion	HMS	0.65	0.84	0.81	0.69
		Emissions	tCO_2eq	HMST	68.20	110.59	124.43	121.78
		Emissions	tCO_2eq	Overseas subsidiaries	185.79	216.43	250.81	293.72
Direct emissions (Scope 1)			tCO_2eq	Global	201.94	171.03	209.84	234.93
			tCO_2eq	HMS	124.72	68.15	85.21	85.48
			tCO_2eq	HMST	13.51	27.45	34.64	31.63
			tCO_2eq	Overseas subsidiaries	63.71	75.42	89.99	117.82
Location-based indirect emissions (Scope 2)			tCO_2eq	Global	753.38	1,116.30	1,225.12	1,198.70
			tCO_2eq	HMS	576.61	892.15	974.51	932.65
			tCO_2eq	HMST	54.69	83.14	89.79	90.15
			tCO_2eq	Overseas subsidiaries	122.09	141.01	160.82	175.90

Category		Unit	Reporting Scope	2022	2023	2024	2025
Other indirect emissions (Scope 3[5)])	Scope 3 emissions (total)[6)]	tCO_2eq	HMS	-	-	340,852	161,671
	Category 1. Purchased goods and services	tCO_2eq	HMS	-	-	336,266	152,265
	Category 2. Capital goods	tCO_2eq	HMS	-	-	305	139
	Category 3. Fuel- and energy-related activities	tCO_2eq	HMS	-	-	-	148
	Category 4. Upstream transportation and distribution	tCO_2eq	HMS	-	-	3,892	7,620
	Category 5. Waste generated in operations	tCO_2eq	HMS	-	-	-	0.3
	Category 6. Business travel	tCO_2eq	HMS	-	-	389	1,042
	Category 7. Employee commuting	tCO_2eq	HMS	-	-	-	159
	Category 10. Processing of sold products	tCO_2eq	HMS	-	-	-	298

1) 2025 GHG Emissions Targets:
 - Scope 1: 248 tCO_2eq
 - Scope 2: 1,202 tCO_2eq
 - Scope 3: 336,598 tCO_2eq
2) Figures for the previous reporting year were revised due to improvements in the quantitative data calculation system
3) Based on revenue in the consolidated financial statements
4) Based on revenue in the separate financial statements
5) Due to changes in the scope of emission facilities and emission factors, Scope 3 emissions have been calculated and reported from 2024 onward.
6) Final GHG emissions stated in whole numbers, with decimals truncated

Non-Financial Disclosure

Environmental Data

Energy Use[1), 2)]

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total energy consumption	Total energy consumption (total)	TJ	Global	20.13	27.25	30.38	30.66
	Total energy consumption (intensity)[3)]	TJ/KRW billion	Global	0.015	0.019	0.017	0.015
	Total energy consumption	TJ	HMS	14.20	19.70	21.73	21.46
	Total energy consumption (intensity)[4)]	TJ/KRW billion	HMS	0.013	0.017	0.017	0.015
	Total energy consumption	TJ	HMST	1.39	2.22	2.49	2.45
	Total energy consumption	TJ	Overseas subsidiaries	4.54	5.33	6.16	6.75
	Non-renewable energy consumption	TJ	Global	20.13	26.90	30.02	30.32
	Non-renewable energy consumption	TJ	HMS	14.20	19.34	21.37	21.12
	Non-renewable energy consumption	TJ	HMST	1.39	2.22	2.49	2.45
	Non-renewable energy consumption	TJ	Overseas subsidiaries	4.54	5.33	6.16	6.75
Direct energy	Direct energy consumption	TJ	Global	3.69	3.04	3.80	3.62
	Direct energy consumption	TJ	HMS	2.17	1.01	1.34	1.27
	Direct energy consumption	TJ	HMST	0.25	0.49	0.61	0.57
	Direct energy consumption	TJ	Overseas subsidiaries	1.27	1.54	1.84	1.78

1) Figures for the previous reporting year were revised due to improvements in the quantitative data calculation system
2) Energy Consumption Targets:
- 2025: Energy intensity of 0.018 TJ per KRW 1 billion (2025 energy consumption intensity: 0.015 TJ per KRW 1 billion, achieving 120% of the target)
- 2026: 0.018 or below
- 2027: 0.017 or below
- 2028: 0.017 or below
3) Based on revenue in the consolidated financial statements
4) Based on revenue in the separate financial statements

Category		Unit	Reporting Scope	2022	2023	2024	2025
Indirect energy	Indirect energy consumption (total)	TJ	Global	16.44	24.21	26.58	27.04
	Indirect energy consumption	TJ	HMS	12.03	18.69	20.39	20.19
	Indirect energy consumption	TJ	HMST	1.14	1.74	1.88	1.88
	Indirect energy consumption	TJ	Overseas subsidiaries	3.27	3.78	4.32	4.97
	Electricity consumption	TJ	Global	16.35	22.64	24.91	25.22
	Electricity consumption	TJ	HMS	11.93	17.12	18.72	18.37
	Electricity consumption	TJ	HMST	1.14	1.74	1.88	1.88
	Electricity consumption	TJ	Overseas subsidiaries	3.27	3.78	4.32	4.97
	Steam and heat consumption	TJ	Global	0.09	1.22	1.31	1.48
	Steam and heat consumption	TJ	HMS	0.09	1.22	1.31	1.48
	Steam and heat consumption	TJ	HMST	0	0	0	0
	Steam and heat consumption	TJ	Overseas subsidiaries	0	0	0	0
Renewable energy	Renewable energy consumption	TJ	Global	0	0.35	0.36	0.34
	Ratio of renewable energy	%	Global	-	1.29	1.18	1.09
	Renewable energy consumption	TJ	HMS	0	0.35	0.36	0.34
	Renewable energy consumption	TJ	HMST	0	0	0	0
	Renewable energy consumption	TJ	Overseas subsidiaries	0	0	0	0

Non-Financial Disclosure

Environmental Data

Eco-friendly Vehicles[1]

Category		Unit	Reporting Scope	2022	2023	2024	2025
Eco-friendly vehicles	Percentage of eco-friendly vehicles	%	Global	-	-	30	35
	No. of eco-friendly vehicles	vehicle	Global	0	0	11	17
	Total vehicles	vehicle	Global	0	0	37	48

1) Figures for the previous reporting year were revised due to improvements in the quantitative data calculation system

Waste Management Targets

Category	Unit	Reporting Scope	2025	2026	2027	2028
Ratio of waste recycling	Waste recycling amount / Waste generation amount	Domestic	12% or more	12% or more	13% or more	13% or more

General Waste[1), 2)]

Category			Unit	Reporting Scope	2022	2023	2024	2025
Waste generation (total)			ton	Domestic	-	3.342	19.338	17.974
Waste generation[3)]			ton	HMS	-	0.939	16.989	15.671
Waste generation			ton	HMST	-	2.403	2.349	2.303
Ratio of waste recycling			%	Domestic	-	16.62%	12.29%	15.47%
Waste reuse/recycling amount (total)			ton	Domestic	-	0.555	2.378	2.781
Waste reuse amount			ton	Domestic	-	0	0	0
Waste recycling amount			ton	Domestic	-	0.555	2.378	2.781
Waste recycling amount			ton	HMS	-	0.156	0.669	0.782
Waste recycling amount			ton	HMST	-	0.399	1.709	1.999
Waste treatment amount (total)			ton	Domestic	-	2.787	16.96	15.193
	Landfill		ton	HMS	-	0	0.018	0
		Landfill (in-house)	ton	HMS		0	0	0
		Landfill (outsourced)	ton	HMS		0	0.018	0
	Landfill		ton	HMST	-	0	0.049	0
		Landfill (in-house)	ton	HMST		0	0	0
		Landfill (outsourced)	Ton	HMST		0	0.049	0
	Incineration		ton	HMS	-	0.783	0.23	0.117
		Energy recovery incineration	ton	HMS		0.783	0.23	0.117
		Non-energy recovery incineration	ton	HMS		0	0	0
	Incineration		ton	HMST		2.004	0.591	0.304
		Energy recovery incineration	ton	HMST	-	2.004	0.591	0.304
		Non-energy recovery incineration	ton	HMST	-	0	0	0
	Others		ton	HMS		0	16.072	14.772
		In-house	ton	HMS		0	0	0
		Outsourced	ton	HMS		0	16.072	14.772

1) The amounts of designated (hazardous) waste and construction waste generated are zero.
2) The reporting scope for general waste at HMS is based on the GRC and CSP sites.
3) Waste generated by GRC in 2023 is attributed to HD Hyundai

Non-Financial Disclosure

Environmental Data

Water

Category	Unit	Reporting Scope	2022	2023	2024	2025
Total water withdrawal[1]	m^3	HMS	-	2,255	13,221	13,317
Total water withdrawal (intensity)	m^3 / KRW billion	HMS	-	1.97	10.16	9.03
Surface water	m^3	HMS	-	0	0	0
Groundwater	m^3	HMS	-	0	0	0
Seawater	m^3	HMS	-	0	0	0
Rainwater (stormwater)	m^3	HMS	-	0	0	0
Third-party supplied water withdrawal (tap water)	m^3	HMS	-	2,255	13,221	13,317

1) GRC's water withdrawal in 2023 was attributed to HD Hyundai

Water Management Targets

Category	Unit	Reporting Scope	2025	2026	2027	2028
Water withdrawal target	m^3 / KRW billion	HMS	Maintain at 12 or below	Maintain at 12 or below	Maintain at 12 or below	Maintain at 12 or below

Water Pollutants[2]

Category	Unit	Reporting Scope	2022	2023	2024	2025
TOC emissions	kg	Global	0	0	0	0
BOD emissions	kg	Global	0	0	0	0
SS emissions	kg	Global	0	0	0	0
TN emissions	kg	Global	0	0	0	0
TP emissions	kg	Global	0	0	0	0

2) Due to the absence of production facilities, emissions of water pollutants, air pollutants, and chemical pollutants are all zero. The related target is likewise to continuously maintain zero.

Air pollutants[2]

Category	Unit	Reporting Scope	2022	2023	2024	2025
Nox emissions	kg	Global	0	0	0	0
Sox emissions	kg	Global	0	0	0	0
Volatile Organic Compounds (VOCs) emissions	kg	Global	0	0	0	0
TSP emissions	kg	Global	0	0	0	0
ODS emissions	kg	Global	0	0	0	0
Mercury emissions	kg	Global	0	0	0	0

2) Due to the absence of production facilities, emissions of water pollutants, air pollutants, and chemical pollutants are all zero. The related target is likewise to continuously maintain zero.

Significant violations of environment-related laws and regulations

Category	Unit	Reporting Scope	2022	2023	2024	2025
Number of Significant Environmental Regulatory Violations	cases	Global	0	0	0	0
Monetary Fines Resulting from Significant Environmental Regulatory Violations	KRW million	Global	0	0	0	0
Number of Significant Environmental Regulatory Violations (US$10,000 or More)	cases	Global	0	0	0	0
Monetary Fines Resulting from Significant Environmental Regulatory Violations (US$10,000 or More)	KRW million	Global	0	0	0	0
Provisions for Monetary Fines Resulting from Significant Environmental Regulatory Violations (US$10,000 or More)	KRW million	Global	0	0	0	0

Environmental training and prevention activities

Category	Unit	Reporting Scope	2022	2023	2024	2025
Number of employees who completed environmental training	persons	HMS	2	0	0	6

Non-Financial Disclosure

Environmental Data

Environmental Management System Certification

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of certification/audit	%	HMS	100	100	75	100
Sites subject to international certification and audit	sites	HMS	3	4	4	4
Ratio of international certification acquisition	%	HMS	100	75	75	100
Sites with international certification	sites	HMS	3	3	3	4
Ratio of third-party audit	%	HMS	-	25	0	0
Sites subject to third-party audit	sites	HMS	0	1	0	0
Ratio of internal audit	%	HMS	-	-	-	-
Sites subject to internal audit	sites	HMS	0	0	0	0
Ratio of Energy Management System certification acquisition	%	HMS	0	0	0	25
Sites subject to international standard certification for the Energy Management System	sites	HMS	0	0	0	4
Sites with international standard certification for the Energy Management System	sites	HMS	0	0	0	1

Green Investment

Category	Unit	Reporting Scope	2022	2023	2024	2025
Environmental investment ratio	%	HMS	-	-	-	-
Environment-related capital investment (CAPEX)	KRW million	HMS	0	0	0	0
Environment-related operating expenses (OPEX)	KRW million	HMS	0	0	0	0
Environmental investment budget	KRW million	HMS	0	0	0	0
Cost avoidance and reduction	KRW million	HMS	0	0	0	0

Green Patents

Category	Unit	Reporting Scope	2022	2023	2024	2025
Green patents applied	cases	HMS	1	1	8	12
Green patents registered	cases	HMS	2	2	1	0

Revenue from Green Solution[1)]

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of Green Revenue	%	Global	15	12	9	9
Green Revenue	KRW million	Global	194,171	168,511	163,420	172,332

1) Defined as revenue generated from green retrofits. A green retrofit refers to a retrofit service that partially or fully modifies or replaces a vessel's hull structure or onboard equipment for the purpose of responding to environmental regulations and improving environmental performance. It includes EGCS, BWTS, and FSRU retrofits, AMP (Alternative Maritime Power, i.e., shore power), Dual Fuel Conversion, and LNG BOG re-liquefaction/management equipment retrofits, among others.

Green Procurement

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of Green Procurement	%	HMS	-	-	-	-
Green Procurement Costs	KRW million	HMS	0	0	0	0

Non-Financial Disclosure

Social Data

Employee Status[1)]

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total employees		persons	Global	680	785	840	912
By employment type	Permanent employees	persons	Global	608	710	749	821
	Permanent employees_Male	persons	Global	466	531	560	604
	Permanent employees_Female	persons	Global	142	179	189	217
	Temporary employees	persons	Global	72	75	91	91
	Temporary employees_Male	persons	Global	23	24	35	41
	Temporary employees_Female	persons	Global	49	51	56	50
By position[2)]	Managerial employees	persons	Global	115	143	154	161
	Senior managers	persons	Global	18	19	17	20
	Managers	persons	Global	31	38	42	46
	Junior managers	persons	Global	66	86	95	95

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total employees	Total employees	persons	HMS	479	527	544	589
	Registered executives	persons	HMS	3	7	7	6
	Employees	persons	HMS	476	520	537	583
Non-employee workers	Non-employee workers	persons	HMS	0	0	0	0
By employment type	Permanent employees	persons	HMS	446	506	523	571
	Permanent employees_Male	persons	HMS	369	405	415	444
	Permanent employees_Female	persons	HMS	77	101	108	127
	Temporary employees	persons	HMS	30	14	14	12
	Temporary employees_Male	persons	HMS	8	5	6	4
	Temporary employees_Female	persons	HMS	22	9	8	8
By managerial position[2)]	Managerial employees	persons	HMS	77	90	95	104
	Senior managers	persons	HMS	11	12	10	15
	Managers	persons	HMS	17	20	21	25
	Junior managers	persons	HMS	49	58	64	64
	Non-managerial employees	persons	HMS	401	432	444	481

1) As of the end of the reporting period
2) Managerial and non-managerial employee figures are calculated excluding other non-executive directors and independent directors among the registered directors; therefore, the total does not match the total number of employees.

Non-Financial Disclosure

Social Data

Employee Diversity

Category			Unit	Reporting Scope	2022	2023	2024	2025
By age	Employees under 30	Employee ratio	%	Global	24.02	28.14	29.02	32.07
		Number of employees	persons	Global	165	224	247	296
	Employees aged 30–50	Employee ratio	%	Global	66.38	62.06	61.34	58.61
		Number of employees	persons	Global	456	494	522	541
	Employees over 50	Employee ratio	%	Global	9.61	9.80	9.64	9.32
		Number of employees	persons	Global	66	78	82	86
	Employees under 30	Employee ratio	%	HMS	19.42	22.96	23.90	23.17
		Number of employees	persons	HMS	93	121	130	160
	Employees aged 30–50	Employee ratio	%	HMS	71.19	65.84	63.97	60.78
		Number of employees	persons	HMS	340	347	348	358
	Employees over 50	Employee ratio	%	HMS	9.39	11.20	12.13	12.05
		Number of employees	persons	HMS	45	59	66	71

Category			Unit	Reporting Scope	2022	2023	2024	2025
By gender	Employees	Male	persons (%)	Global	496(72.20)	565(70.98)	605(71.09)	655(70.96)
		Female	persons (%)	Global	191(27.80)	231(29.02)	246(28.91)	268(29.04)
	Managerial employees	Male	persons (%)	Global	107(93.04)	128(89.51)	141(91.56)	143(88.82)
		Female	persons (%)	Global	8(6.96)	15(10.49)	13(8.44)	18(11.18)
	Senior managers	Male	persons (%)	Global	18(100)	19(100)	17(100)	20(100)
		Female	persons (%)	Global	0(-)	0(-)	0(-)	0(-)
	Managers	Male	persons (%)	Global	31(100)	38(100)	42(100)	45(97.83)
		Female	persons (%)	Global	0(-)	0(-)	0(-)	1(2.17)
	Junior managers	Male	persons (%)	Global	58(87.88)	71(82.56)	82(86.32)	78(82.1)
		Female	persons (%)	Global	8(12.12)	15(17.44)	13(13.68)	17(17.9)
	Managerial employees in revenue-generating departments	Male	persons (%)	Global	80(93.02)	94(89.52)	102(91.07)	98(90.74)
		Female	persons (%)	Global	6(6.98)	11(10.48)	10(8.93)	10(9.26)
	STEM employees	Male	persons (%)	Global	39(92.86)	42(89.36)	41(87.23)	60(90.91)
		Female	persons (%)	Global	3(7.14)	5(10.64)	6(12.77)	6(9.09)
	Employees	Male	persons (%)	HMS	380(79.33)	416(78.94)	427(78.49)	453(76.91)
		Female	persons (%)	HMS	99(20.67)	111(21.06)	117(21.51)	136(23.09)
	Managerial employees	Male	persons (%)	HMS	76(98.7)	89(98.89)	95(100)	101(97.12)
		Female	persons (%)	HMS	1(1.30)	1(1.11)	0(-)	3(2.88)
	Senior managers	Male	persons (%)	HMS	11(100)	12(100)	10(100)	15(100)
		Female	persons (%)	HMS	0(-)	0(-)	0(-)	0(-)

Non-Financial Disclosure

Social Data

Employee Diversity

Category			Unit	Reporting Scope	2022	2023	2024	2025
By Gender	Managers	Male	persons (%)	HMS	17(100)	20(100)	21(100)	25(100)
		Female	persons (%)	HMS	0(-)	0(-)	0(-)	0(-)
	Junior managers	Male	persons (%)	HMS	48(97.96)	57(98.28)	64(100)	61(95.31)
		Female	persons (%)	HMS	1(2.04)	1(1.72)	0(-)	3(4.69)
	Managerial employees in revenue-generating departments	Male	persons (%)	HMS	60(98.36)	70(98.59)	73(100)	74(98.67)
		Female	persons (%)	HMS	1(1.64)	1(1.41)	0(-)	1(1.33)
	STEM employees	Male	persons (%)	HMS	16(84.21)	14(73.68)	12(66.67)	13(68.42)
		Female	persons (%)	HMS	3(15.79)	5(26.32)	6(33.33)	6(31.58)
Employment of Socially Underrepresented Groups	Number of employees with disabilities		persons	Global	1	1	1	0
	Ratio of employees with disabilities		%	Global	0.15	0.13	0.12	-
By Nationality[1]	Employees	South Korea	persons (%)	Global	622(90.54)	704(88.44)	750(88.24)	812(87.97)
		United States	persons (%)	Global	1(0.15)	8(1.01)	11(1.29)	9(0.98)
		Europe[2]	persons (%)	Global	28(4.08)	30(3.77)	30(3.53)	32(3.47)
		Asia[2]	persons (%)	Global	34(4.95)	52(6.53)	58(6.82)	67(7.26)
		Brazil	persons (%)	Global	1(0.15)	1(0.13)	1(0.12)	1(0.11)
		South Africa	persons (%)	Global	1(0.15)	1(0.13)	0(-)	1(0.11)
		Mexico	persons (%)	Global	0(-)	0(-)	0(-)	1(0.11)
	Managerial employees	South Korea	persons (%)	Global	109(94.78)	130(90.91)	141(91.55)	149(92.55)
		United States	persons (%)	Global	0(-)	0(-)	1(0.65)	0(-)
		Europe[3]	persons (%)	Global	5(4.35)	8(5.59)	7(4.55)	7(4.35)
		Asia[3]	persons (%)	Global	1(0.87)	5(3.50)	5(3.25)	5(3.11)
	Employees	South Korea	persons (%)	HMS	478(99.79)	526(99.81)	543(99.82)	586(99.49)
		United States	persons (%)	HMS	1(0.21)	1(0.19)	1(0.18)	0(-)
		China	persons (%)	HMS	-	-	-	1(0.17)
		Taiwan	persons (%)	HMS	-	-	-	1(0.17)
		Italy	persons (%)	HMS	-	-	-	1(0.17)
	Managerial employees	South Korea	persons (%)	HMS	77(100)	90(100)	95(100)	104(100)

1) Employees by nationality are counted using the total employee headcount for each year, so the total does not match the total number of employees.
2) Nationalities under Europe and Asia comprise the following:
- Europe (13): Greece, The Netherlands, Latvia, Lithuania, Slovakia, Bulgaria, Ireland, Ukraine, Italy, Türkiye, Portugal, Poland, Finland
- Asia (11): Taiwan, Malaysia, Vietnam, Singapore, Iran, India, Indonesia, Japan, China, The Philippines, Nepal

Recruitment and Retention

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total new employees		persons	Global	196	203	167	136
By gender	Male	persons (%)	Global	118(60.20)	129(63.55)	96(57.49)	94(69.12)
	Female	persons (%)	Global	78(39.80)	74(36.45)	71(42.51)	42(30.88)
By age	Employees under 30	persons (%)	Global	101(51.53)	111(54.68)	97(58.08)	97(71.32)
	Employees aged 30–50	persons (%)	Global	93(47.45)	89(43.84)	68(40.72)	38(27.94)
	Employees over 50	persons (%)	Global	2(1.02)	3(1.48)	2(1.20)	1(0.74)
Total new employees		persons	HMS	111	114	66	58
By gender	Male	persons (%)	HMS	83(74.77)	85(74.56)	53(80.30)	41(70.69)
	Female	persons (%)	HMS	28(25.23)	29(25.44)	13(19.70)	17(29.31)
By age	Employees under 30	persons (%)	HMS	52(46.85)	60(52.63)	37(56.06)	42(72.41)
	Employees aged 30–50	persons (%)	HMS	58(52.25)	51(44.74)	28(42.42)	16(27.59)
	Employees over 50	persons (%)	HMS	1(0.90)	3(2.63)	1(1.52)	0(-)

Internal Recruitment

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of positions filled through internal recruitment	%	HMS	-	-	-	-
Number of employees transferred through internal recruitment	persons	HMS	-	-	-	0
Total number of open positions	persons	HMS	-	-	-	0

Recruitment Costs

Category	Unit	Reporting Scope	2022	2023	2024	2025
Average cost per hire	KRW	HMS	-	-	-	1,560,347
Total recruitment costs	KRW	HMS	-	-	-	90,500,117

3) Nationalities of managerial employees under Europe and Asia comprise the following:
- Europe (4 countries): The Netherlands, Ireland, Italy, Portugal
- Asia (3 countries): Singapore, Japan, China

Non-Financial Disclosure

Social Data

Turnover

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total departures[1]		persons	Global	79	85	106	71
By gender	Male	persons (%)	Global	43(54.43)	55(64.71)	48(45.28)	40(56.34)
	Female	persons (%)	Global	36(45.57)	30(35.29)	58(54.72)	31(43.66)
By age	Employees under 30	persons (%)	Global	22(27.85)	26(30.59)	57(53.77)	39(54.93)
	Employees aged 30–50	persons (%)	Global	56(70.89)	57(67.06)	41(38.68)	25(35.21)
	Employees over 50	persons (%)	Global	1(1.27)	2(2.35)	8(7.55)	7(9.86)
Total departures		persons	HMS	43	43	34	17
By gender	Male	persons (%)	HMS	36(83.72)	35(81.40)	26(76.47)	15(88.24)
	Female	persons (%)	HMS	7(16.28)	8(18.60)	8(23.53)	2(11.76)
By age	Employees under 30	persons (%)	HMS	9(20.93)	11(25.58)	8(23.53)	3(17.65)
	Employees aged 30–50	persons (%)	HMS	33(76.74)	32(74.42)	23(67.65)	10(58.82)
	Employees over 50	persons (%)	HMS	1(2.33)	0(-)	3(8.82)	4(23.53)
By position	Senior managers	persons (%)	HMS	0(-)	0(-)	0(-)	0(-)
	Managers	persons (%)	HMS	0(-)	1(2.33)	0(-)	1(5.88)
	Junior managers	persons (%)	HMS	1(2.33)	2(4.65)	2(5.88)	0(-)
	Non-managerial employees	persons (%)	HMS	42(97.67)	40(93.02)	32(94.12)	16(94.12)

1) Includes only departures of permanent employees (those without a fixed-term contract)

Voluntary Turnover

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total voluntary departures		persons	Global	70	73	80	48
By gender	Male	persons (%)	Global	38(54.29)	48(65.75)	37(46.25)	27(56.25)
	Female	persons (%)	Global	32(45.71)	25(34.25)	43(53.75)	21(43.75)
By age	Employees under 30	persons (%)	Global	20(28.57)	22(30.14)	41(51.25)	23(47.92)
	Employees aged 30–50	persons (%)	Global	49(70.00)	50(68.49)	35(43.75)	22(45.83)
	Employees over 50	persons (%)	Global	1(1.43)	1(1.37)	4(5.00)	3(6.25)
Total voluntary departures[1]		persons	HMS	42(8.77)	43(8.16)	33(6.07)	15(2.55)
By gender	Male	persons (%)	HMS	35(83.33)	35(81.40)	25(75.76)	13(86.67)
	Female	persons (%)	HMS	7(16.67)	8(18.60)	8(24.24)	2(13.33)
By age	Employees under 30	persons (%)	HMS	9(21.43)	11(25.58)	8(24.24)	3(20.00)
	Employees aged 30–50	persons (%)	HMS	32(76.19)	32(74.42)	22(66.67)	9(60.00)
	Employees over 50	persons (%)	HMS	1(2.38)	0(-)	3(9.09)	3(20.00)
By position	Senior managers	persons (%)	HMS	0(-)	0(-)	0(-)	0(-)
	Managers	persons (%)	HMS	0(-)	1(2.33)	0(-)	1(6.67)
	Junior managers	persons (%)	HMS	1(2.38)	2(4.65)	2(6.06)	0(-)
	Non-managerial employees	persons (%)	HMS	41(97.62)	40(93.02)	31(93.94)	14(93.33)

1) Figures disclosed in the prior year were revised due to enhancements in the quantitative data calculation system.

Employee Engagement[2]

Category	Unit	Reporting Scope	2022	2023	2024	2025[3]
Ratio of employee engagement survey participation	%	HMS	-	55.22	72.06	-
Employee engagement or satisfaction	%	HMS	-	52.23	56.89	-

2) Data collected from 2023
3) 2025 employee engagement survey not conducted

Non-Financial Disclosure

Social Data

Parental Leave

Category	Unit	Reporting Scope	2022	2023	2024	2025
Employees eligible for parental leave[1]	persons	HMS	52	49	39	24
Male	persons	HMS	48	41	34	20
Female	persons	HMS	4	8	5	4
Employees on parental leave[2]	persons	HMS	3	5	1	5
Male	persons	HMS	1	1	1	2
Female	persons	HMS	2	4	0	3
Ratio of parental leave[3]	%	HMS	5.77	10.20	2.56	20.83
Male	%	HMS	2.08	2.44	2.94	10
Female	%	HMS	50	50	0	75
Employees who worked at least 12 months after returning from parental leave	persons	HMS	3	5	6	1
Male	persons	HMS	3	5	6	1
Female	persons	HMS	0	0	0	0
Maximum duration of paid parental leave available to men	weeks	HMS	-	-	-	78
Maximum duration of paid parental leave available to women	weeks	HMS	-	-	-	78

1) Employees who have a child within one year of the child's birth date in the given year
2) Employees who used parental leave within one year after childbirth in the given year
3) Employees who used parental leave within one year after childbirth in the given year / Employees who have a child within one year of the child's birth date in the given year

Labor management Relations

Category	Unit	Reporting Scope	2022	2023	2024	2025
Labor management council meetings	times	HMS	4	4	4	4

Employee Training

Category		Unit	Reporting Scope	2022	2023	2024	2025
Total training hours		hours	HMS	20,533	13,637	27,282	19,955
By gender	Male	hours	HMS	16,836	11,020	21,775	15,685
	Female	hours	HMS	3,717	2,617	5,507	4,270
By age	Employees under 30	hours	HMS	2,657	3,405	7,699	5,526
	Employees aged 30–50	hours	HMS	15,337	8,923	17,152	12,600
	Employees over 50	hours	HMS	2,559	1,309	2,431	1,829
Managerial employees	Senior managers	hours	HMS	366	152	619	672
	Managers	hours	HMS	614	374	1,280	1,157
	Junior managers	hours	HMS	1,939	1,506	3,676	3,418
Average training hours per employee		hours/persons	HMS	42.91	25.88	50.15	33.88
By gender	Male	hours/persons	HMS	44.31	26.49	51.00	34.63
	Female	hours/persons	HMS	37.55	23.58	47.07	31.40
By age	Employees under 30	hours/persons	HMS	28.57	28.14	59.22	34.54
	Employees aged 30–50	hours/persons	HMS	34.78	25.72	49.29	35.20
	Employees over 50	hours/persons	HMS	56.87	22.19	36.83	25.76
Managerial employees	Senior managers	hours/persons	HMS	33.27	12.67	61.90	44.80
	Managers	hours/persons	HMS	36.12	18.70	60.95	46.28
	Junior managers	hours/persons	HMS	39.57	25.97	57.44	53.41
Total employee training expenses		KRW million	HMS	233	404	424	622
Training expenses per employee		KRW million/ persons	HMS	0.49	0.77	0.78	1.06
Employees who completed training		persons	HMS	598	588	621	641

Non-Financial Disclosure

Social Data

Human Rights Impact Assessment

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of human rights impact assessments conducted	%	Global	-	-	-	100
Number of employees at sites where human rights impact assessments were conducted	persons	Global	-	-	-	854
Number of employees at sites where risk mitigation measures were completed	persons	Global	-	-	-	854
Ratio of human rights impact assessments conducted	%	HMS	84.76	84.06	99.82	100
Number of employees at sites where human rights impact assessments were conducted	persons	HMS	406	443	543	589
Ratio of risks identified through human rights impact assessments	%	HMS	100	100	100	100
Completion ratio of risk mitigation measures for human rights impact assessments	%	HMS	0	100	0	100
Number of employees at sites where risk mitigation measures were completed	persons	HMS	0	443	0	589

Human Rights-related Grievance Handling

Category	Unit	Reporting Scope	2022	2023	2024	2025
Human rights reports filed	cases	HMS	0	0	0	0
Human rights-related cases addressed	cases	HMS	0	0	0	0
Human rights reports filed_discrimination and harassment	cases	HMS	0	0	0	0
Human rights-related cases addressed_discrimination and harassment	cases	HMS	0	0	0	0

Community Engagement

Category	Unit	Reporting Scope	2022	2023	2024	2025
Total donations for community partnership activities	KRW million	HMS	1,035	803	2,626	3,850
Total cash donations	KRW million	HMS	1,035	803	1,273	406
Total cash donations	KRW million	HMST	0	0	0	5
Total cash donations	KRW million	Overseas subsidiaries	0	0	0	5
Total in-kind donations	KRW million	HMS	0	0	0	825
Community contribution donations	KRW million	HMS	-	-	1,353	2,619
Beneficiary of community engagement activities	persons	HMS	-	-	-	11,257
Beneficiary of community engagement activities	persons	HMST	-	-	-	15
Beneficiary of community engagement activities	persons	Overseas subsidiaries	-	-	-	15

Conflict Minerals

Category	Unit	Reporting Scope	2022	2023	2024	2025
Share of revenue from products using conflict-free verified minerals	%	HMS	-	-	-	-
Revenue from products using conflict-free verified minerals	KRW	HMS	-	-	-	0
Share of revenue from products using non-conflict-free-verified minerals	%	HMS	-	-	-	-
Revenue from products using non-conflict-free-verified minerals	KRW	HMS	-	-	-	0

Quality Management System International Standard Certification

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of quality management system international standard certification obtained	%	Global	100	75	75	100
Number of sites subject to quality management system international standard certification	sites	Global	3	4	4	8
Number of sites that obtained quality management system international standard certification	sites	Global	3	3	3	8

Customer Satisfaction Survey Results

Category	Unit	Reporting Scope	2022	2023	2024	2025
Customer satisfaction score	points	HMS	-	73.20	74.67	76.76
Ratio of customer satisfaction survey participation	%	HMS	-	34	46	51
Customer satisfaction target	points	HMS	-	-	80.50	82.2

Non-Financial Disclosure

Social Data

Safety and Health Risk management

Category		Unit	Reporting Scope	2022	2023	2024	2025
Working hours							
Employees	Total working hours[1]	hours	HMS	802,000	1,024,000	1,098,000	1,096,103
	Average annual number of workers	persons	HMS	401	512	549	576
Suppliers	Total working hours	hours	HMS	18,000	18,000	18,000	18,000
	Average annual number of workers	persons	HMS	9	9	9	9
Ratio of absenteeism							
Employees	Total days of absence	days	HMS	-	-	-	0
	Total working days	days	HMS	-	-	-	139,968
Fatalities							
Employees	Ratio of fatality	%	HMS	0	0	0	0
	Number of fatalities	persons	HMS	0	0	0	0
	Number of fatal accidents	cases	HMS	0	0	0	0
Suppliers	Ratio of fatality	%	HMS	0	0	0	0
	Number of fatalities	persons	HMS	0	0	0	0
	Number of fatal accidents	cases	HMS	0	0	0	0
Safety accidents							
Employees	Number of serious accidents	cases	Global	0	0	0	0
	Number of industrial accidents	cases	Global	0	3	2	0
Suppliers[2]	Number of serious accidents	cases	Global	0	0	0	0
	Number of industrial accidents	cases	Global	0	0	0	0
Employees	Number of serious accidents	cases	HMS	0	0	0	0
	Number of industrial accidents	cases	HMS	0	0	0	0

1) The 2025 data is calculated based on actual working hours, in line with the enhanced management standard
2) The number of serious accidents among suppliers recorded zero for all of the past four years on an HMS basis

Category		Unit	Reporting Scope	2022	2023	2024	2025
Lost Time Injury Frequency Rate (LTIFR)							
Employees	Lost Time Injury Frequency Rate (LTIFR)	cases per million working hours	Global	3.76	4.94	4.8	5.19
	Lost Time Injury Frequency Rate (LTIFR)	cases per million working hours	HMS	0	2.93	1.82	0
	Lost Time Injury Frequency Rate (LTIFR)	cases per million working hours	Overseas subsidiaries	22.42	16.53	26.19	22.06
	Number of Lost Time Injuries (LTI)[1]	cases	Global	4	7	7	9
	Number of Lost Time Injuries (LTI)[1]	cases	HMS	0	3	2	0
	Number of Lost Time Injuries (LTI)[1]	cases	Overseas subsidiaries	4	4	5	9
Suppliers[2]	Lost Time Injury Frequency Rate (LTIFR)	cases per million working hours	Global	0	0	0	0
	Number of Lost Time Injuries (LTI)[1]	cases	Global	0	0	0	0
Total Recordable Injury Frequency Rate (TRIFR)							
Employees	Total Recordable Injury Frequency Rate (TRIFR)	cases per million working hours	Global	3.76	4.94	4.8	5.79
	Total Recordable Injury Frequency Rate (TRIFR)	cases per million working hours	HMS	0	2.93	1.82	0
	Total Recordable Injury Frequency Rate (TRIFR)	cases per million working hours	HMST	0	0	0	4.32
	Total Recordable Injuries (TRI)	cases	Global	4	7	7	10
	Total Recordable Injuries (TRI)	cases	HMS	0	3	2	0
	Total Recordable Injuries (TRI)	cases	HMST	0	0	0	1[3]
	Total Recordable Injuries (TRI)	cases	Overseas subsidiaries	4	4	5	9
Suppliers[2]	Total Recordable Injury Frequency Rate (TRIFR)	cases per million working hours	Global	0	0	0	0
	Total Recordable Injuries (TRI)	cases	Global	0	0	0	0
Near Miss Frequency Rate (NMFR)							
Employees	Near Miss Frequency Rate (NMFR)	cases per million working hours	Global	-	0	0	0
	Near Miss (NM)	cases	Global	-	0	0	0
Suppliers[2]	Near Miss Frequency Rate (NMFR)	cases per million working hours	Global	-	0	0	0
	Near Miss (NM)	cases	Global	-	0	0	0

1) Types of work-related injuries: fractures, ruptures
2) LTIFR, TRIFR, and NMFR among suppliers all recorded zero for all of the past four years on an HMS basis
3) The one recordable injury at HMST in 2025 did not involve lost time; it is therefore included in Total Recordable Injuries (TRI) but excluded from Lost Time Injuries (LTI).

Non-Financial Disclosure

Social Data

Supply Chain Management

Category	Unit	Reporting Scope	2022	2023	2024	2025
Number of tier-1 suppliers	suppliers	HMS	786	861	931	722
Number of key tier-1 suppliers	suppliers	HMS	483	510	538	543
Purchase share of key tier-1 suppliers	%	HMS	69	63	69	75
Number of key tier-2-and-below suppliers	suppliers	HMS	0	0	0	0
Supply chain assessment						
Number of tier-1 suppliers assessed via written assessment[1]	suppliers	HMS	-	43	173	208
Number of key tier-1 suppliers assessed via written assessment	suppliers	HMS	-	31	140	200
Number of key tier-2-and-below suppliers assessed via written assessment	suppliers	HMS	-	0	0	0
Number of tier-1 suppliers assessed via on-site assessment[2]	suppliers	HMS	-	26	9	9
Number of key tier-1 suppliers assessed via on-site assessment	suppliers	HMS	-	21	8	9
Number of key tier-2-and-below suppliers assessed via on-site assessment	suppliers	HMS	-	0	0	0
Number of tier-1 suppliers with identified risks	suppliers	HMS	-	26	9	9

1) Number of New Suppliers: 140 (67%)
2) Number of New Suppliers: 8 (89%)

Supply Chain Grievance Handling

Category	Unit	Reporting Scope	2022	2023	2024	2025
No of grievances received from suppliers	cases	HMS	-	-	4	0
Percentage of supplier grievances resolved	%	HMS	-	-	100	-

Compliance Violation of Safety and Health Regulations

Category	Unit	Reporting Scope	2022	2023	2024	2025
Monetary loss on safety and health	KRW million	HMS	-	-	-	0

Health and Safety Management System

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of occupational health and safety management system certification obtained	%	HMS	100	75	75	100
Number of sites subject to occupational health and safety management system certification	sites	HMS	3	4	4	4
Number of sites that obtained occupational health and safety management system certification	sites	HMS	3	3	3	4

Non-Financial Disclosure

Social Data

Compensation Status

Category		Unit	Reporting Scope	2022	2023	2024	2025
Average employee salary	Average employee salary	KRW million	HMS	81	94	133	116
	Male	KRW million	HMS	90	103	145	127
	Female	KRW million	HMS	48	60	90	78
	Gender pay ratio[1]	%	HMS	53.33	58.25	62.07	61.42
Average base salary of managerial employees	Male	KRW million	HMS	-	-	-	127
	Female	KRW million	HMS	-	-	-	63
	Gender pay ratio[1]	%	HMS	-	-	-	49.61
Average base salary and performance pay of managerial employees	Male	KRW million	HMS	-	-	-	181
	Female	KRW million	HMS	-	-	-	80
	Gender pay ratio[1]	%	HMS	-	-	-	44.20
Average base salary of non-managerial employees	Male	KRW million	HMS	-	-	-	81
	Female	KRW million	HMS	-	-	-	53
	Gender pay ratio[1]	%	HMS	-	-	-	65.43
Gender pay gap	Median	KRW million	HMS	-	-	-	52
Gender bonus gap	Mean	KRW million	HMS	-	-	-	14
	Median	KRW million	HMS	-	-	-	12

1) Ratio of female to male wages

Ratio of New Employee Wages to Minimum Wage[2]

Category	Unit	2022	2023	2024	2025
Statutory minimum hourly wage	KRW	9,160	9,620	9,860	10,030
Male new employee starting-salary ratio[3]	times	1.77	1.72	1.73	1.75
Female new employee starting-salary ratio[3]	times	1.70	1.65	1.66	1.67

2) HD Hyundai Marine Solution recognizes the military service of employees who have fulfilled their mandatory national defense duty as career experience and reflects it in their compensation. Accordingly, the wage difference between male and female new employees is not attributable to gender, but to differences in recognized career experience.
3) Based on permanent employees at headquarters.

Performance Evaluation

Category	Unit	Reporting Scope	2022	2023	2024	2025
Employees who received regular performance evaluations	persons	HMS	425	482	501	536
Male	persons	HMS	354	389	400	423
Female	persons	HMS	71	93	101	113

Evaluation and Compensation

Category	Unit	Reporting Scope	2022	2023	2024	2025
Average payout period of long-term incentives	years	HMS	-	-	-	4.4
Ratio of employees covered by the long-term incentive program	%	HMS	-	-	-	2.74
Number of employees covered by the long-term incentive program	persons	HMS	-	-	-	16

Human Capital ROI

Category	Unit	Reporting Scope	2022	2023	2024	2025
Human capital ROI	%	Global	226	175	165	142
Total operating expenses	KRW million	Global	53,773	71,420	90,446	104,711
Total employee-related expenses	KRW million	Global	5,695	7,821	10,080	13,278
Employee benefits expenses	KRW million	Global	4,726	6,996	8,927	11,544
Retirement benefits	KRW million	Global	969	825	1,153	1,734

Non-Financial Disclosure

Governance Data

Board of Directors

Category			Unit	Reporting Scope	2022	2023	2024	2025
Board composition	Total number of directors		persons	HMS	3	7	7	6
	Ratio of independent directors		%	HMS	0	57	57	67
	Number of independent directors		persons	HMS	0	4	4	4
	Number of executive directors		persons	HMS	2	2	2	2
	Number of other non-executive directors		persons	HMS	1	1	1	0
Board diversity	By gender	Ratio of female directors	%	HMS	0	14	14	17
		Number of female directors	persons	HMS	0	1	1	1
	By age	Number of directors under 30	persons	HMS	0	0	0	0
		Number of directors aged 30–50	persons	HMS	2	3	2	0
		Number of directors over 50	persons	HMS	1	4	5	6
Number of independent directors with industry experience			persons	HMS	0	1	1	1
Board operations	Ratio of average attendance		%	HMS	100	100	100	100
	Total number of directors required to attend, by board meeting		persons	HMS	21	38	49	42
	Total number of directors who attended, by board meeting		persons	HMS	21	38	49	42
	Average board tenure[1]		years	HMS	-	-	-	2.92
	Total tenure of board members[1]		years	HMS	-	-	-	17.5

1) Based on the 2025 Board of Directors

Category		Unit	Reporting Scope	2022	2023	2024	2025
Independent Director Nomination Committee	Number of independent directors	persons	HMS	-	3	3	4
	Total members	persons	HMS	-	4	4	5
Audit Committee	Number of independent directors	persons	HMS	-	4	4	4
	Total members	persons	HMS	-	4	4	4
Compensation (Remuneration) Committee	Number of independent directors	persons	HMS	-	-	4	4
	Total members	persons	HMS	-	-	4	4

Executive Performance and Compensation

Category		Unit	Reporting Scope	2022	2023	2024	2025
CEO compensation relative to employee compensation	Average total CEO compensation	KRW million	HMS	829	921	1,402	993
	Average of total employee compensation	KRW million	HMS	81	94	133	116
	Total CEO compensation relative to average total employee compensation	times	HMS	10.23	9.80	10.54	9

Category		Unit	Reporting Scope	2025
Alignment between CEO compensation and long-term performance	Amount of long-term deferred CEO performance-based pay (stock options)	KRW million	HMS	302
	Total CEO performance-based pay	KRW million	HMS	626
	Longest performance evaluation period for determining CEO performance-based pay (stock options)	years	HMS	7
	Longest vesting period for CEO performance-based pay (stock options)	years	HMS	4

Non-Financial Disclosure

Governance Data

Shareholding

Category		Unit	Reporting Scope	2022	2023	2024	2025
Executive Stock Ownership	Stock ownership relative to CEO base salary	times	HMS	-	-	-	2.13
	Number of shares owned by the CEO	shares	HMS	-	-	-	7,375
	Share price at fiscal year-end	KRW	HMS	-	-	-	193,500
	CEO base salary	KRW	HMS	-	-	-	668,673,894
Shareholding of shareholders with 5% or more	Total ownership percentage of government agencies and pension funds	%	HMS	-	-	6.8	6.8
	Total ownership percentage of founders and their families	%	HMS	19.75	19.75	18.10	18.10

Personal Information Protection and Data Security

Category		Unit	Reporting Scope	2022	2023	2024	2025
Protection of personal information	Number of violations of relevant laws and regulations	cases	HMS	0	0	0	0
Data security	Number of information security breach incidents	cases	HMS	0	0	0	0

Information Security Violations

Category		Unit	Reporting Scope	2022	2023	2024	2025
Substantiated complaints concerning information security violations	Complaints filed by external parties and substantiated internally	cases	HMS	0	0	0	0
	Complaints filed by regulatory bodies[1]	cases	HMS	0	0	0	0
	Substantiated incidents of customer data leakage, theft, or loss	cases	HMS	0	0	0	0

1) Complaints received from government agencies such as the Personal Information Protection Commission.

Anti-corruption[2]

Category		Unit	Reporting Scope	2022	2023	2024	2025
Corruption risk assessment	Implementation ratio	%	HMS	100	100	100	100
	Assessments conducted	count	HMS	24	24	29	31
	Assessment targets	count	HMS	24	24	29	31
Anti-corruption management system	Number of certified sites	sites	HMS	0	0	0	1

2) Corruption risk assessment targets are based on headquarters departments.

Ethics Management and compliance

Category		Unit	Reporting Scope	2022	2023	2024	2025
Code of ethics violations	Total number of violations	cases	HMS	0	0	1	0
	Total number of cases handled	cases	HMS	0	0	1	0
Fair trade regulation violations	Total number of violations	cases	HMS	0	0	0	0
	Total monetary sanctions	KRW million	HMS	0	0	0	0
Anti-corruption and bribery regulation violations	Total number of violations	cases	HMS	0	0	0	0
	Total monetary sanctions	KRW million	HMS	0	0	0	0
Discrimination or harassment	Total number of violations	cases	HMS	0	0	0	0
	Total monetary sanctions	KRW million	HMS	0	0	0	0
Customer personal information protection violation	Total number of violations	cases	HMS	0	0	0	0
	Total monetary sanctions	KRW million	HMS	0	0	0	0
Conflict of interest	Total number of violations	cases	HMS	0	0	0	0
	Total monetary sanctions	KRW million	HMS	0	0	0	0

Ethics and Compliance Training[1]

Category	Unit	Reporting Scope	2022	2023	2024	2025
Ratio of employees who completed code-of-ethics training	%	HMS	100	100	100	92.8
Ratio of employees who completed code-of-ethics training	%	HMST	87	93	95	91
Ratio of employees who completed code-of-ethics training	%	Overseas subsidiaries	100	100	100	100
Number of employees who completed code-of-ethics training	persons	HMS	493	529	576	582
Number of employees who completed code-of-ethics training	persons	HMST	67	94	109	115
Number of employees who completed code-of-ethics training	persons	Overseas subsidiaries	21	26	28	28
Number of employees subject to code-of-ethics training	persons	HMS	479	527	544	627
Number of employees subject to code-of-ethics training	persons	HMST	77	101	115	126
Number of employees subject to code-of-ethics training	persons	Overseas subsidiaries	21	26	28	28

1) Includes employees who completed the training during the reporting period but subsequently left the company, so the figure may exceed the number of employees as of the end of the reporting period.

Non-Financial Disclosure

Governance Data

Creation and Distribution of Economic Value[1)]

Category		Unit	2022	2023	2024	2025
Economic value creation	Separate (non-consolidated) revenue	KRW million	1,080,845	1,145,160	1,301,321	1,474,503
	Consolidated revenue	KRW million	1,333,799	1,430,463	1,745,459	1,982,701

1) Revenue in the separate and consolidated financial statements of HD Hyundai Marine Solution

APPENDIX

GRI Index

Statement of use	HD HMS has reported sustainability management information for the period from January 1 to December 31, 2025, in accordance with the GRI Standards.
GRI 1 used	GRI 1 : Foundation 2021
Applicable GRI Sector Standards	As of the publication date, GRI sector standards relevant to HD HMS' primary industry have not been released, and therefore they have not been applied.

GRI 2 : General Disclosures 2021

Category	Disclosure	Requirements	Report Page
The organization and its reporting practices	2-1	Organizational details	6, 15
	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	* Revised indicators are noted in the footnotes along with quantitative data
	2-5	External assurance	134-137
Organizational activities and workers	2-6	Activities, value chain and other business relationships	6, 8-12
	2-7	Employees	115-117
	2-8	Workers who are not employees	115
Governance	2-9	Governance structure and composition	94-96
	2-10	Nomination and selection of the highest governance body	94-95
	2-11	Chair of the highest governance body	94
	2-12	Role of the highest governance body in overseeing the management of impact	21
	2-13	Delegation of responsibility for managing impacts	21
	2-14	Role of the highest governance body in sustainability reporting	21
	2-15	Conflicts of interest	95
	2-16	Communication of critical concerns	Annual Report p. 259-261 (Matters concerning BOD – key resolution items)
	2-17	Collective knowledge of the highest governance body	95
	2-18	Evaluation of the performance of the highest governance body	96
	2-19	Remuneration policies	96
	2-20	Process to determine remuneration	96
	2-21	Annual total compensation ratio[1]	124

1) Based on the average salary of the employees

Category	Disclosure	Requirements	Report Page
Strategy	2-22	Statement on sustainable development strategy	5
	2-23	Policy commitments	46, 49, 57, 58, 71, 77, 90, 91
	2-24	Embedding policy commitments	46, 49, 57, 58, 71, 77, 90, 91
	2-25	Processes to remediate negative impacts	54, 62, 75, 78, 86
	2-26	Mechanisms for seeking advice and raising concerns	58, 59, 73, 90
	2-27	Compliance with laws and regulations	113, 125
	2-28	Membership associations	138
Stakeholder engagement	2-29	Approach to stakeholder engagement	30
	2-30	Collective bargaining agreements	70

GRI 3: Material Topics 2021

Category	Disclosure	Requirements	Report Page
Material topic	3-1	Process to determine material topics	24
	3-2	List of material topics	25
	3-3	Management of material topics	26, 27, 33-44, 63-65, 71-75, 81-84, 90-93

GRI Index

Topic Standards

Material Topic Standards

Category	Disclosure	Requirements	Report Page
Material Issue 1. Sustainable Solution and Technology Development			
GRI 3: Material Topics 2021	3-3	Management of material issues	26, 33-37
GRI 302 : Energy	302-5	Reduction in the energy requirements of products and services	35
Material Issue 2. Talent management			
GRI 3: Material Topics 2021	3-3	Management of material issues	27, 63-65
GRI 401: Employment	401-1	New employee hires and employee turnover	117, 118
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	67
	401-3	Parental leave	119
GRI 404: Training and Education	404-1	Average hours of training per year per employee	119
	404-2	Programs for upgrading employee skills and transition assistance programs	65
	404-3	Percentage of employees receiving regular performance and career development reviews	123
Material Issue 3. Response to climate change			
GRI 3: Material Topics 2021	3-3	Management of material issues	26, 38-44
GRI 201 : Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	41
GRI 302 : Energy	302-1	Energy consumption within the organization	111
	302-3	Energy intensity	111
GRI 305 : Emissions	305-1	Direct (Scope 1) GHG emissions	110
	305-2	Energy indirect (Scope 2) GHG emissions	110
	305-3	Other indirect (Scope 3) GHG emissions	110
	305-4	GHG emissions intensity	110
	305-7	NOx, SOx, and other significant air emissions	113
Material Issue 4. Supply Chain Management			
GRI 3: Material Topics 2021	3-3	Management of material issues	27, 71-75
GRI 308: Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	122
	308-2	Negative environmental impacts in the supply chain and actions taken	74, 75, 122
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	86
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	122
	414-2	Negative social impacts in the supply chain and actions taken	74, 75, 122
Material Issue 5. Ethics & Compliance management			
GRI 3: Material Topics 2021	3-3	Management of material issues	28, 90-93
GRI 205 : Anti-corruption	205-1	Operations assessed for risks related to corruption	92, 125
	205-2	Communication and training about anti-corruption policies and procedures	92
	205-3	Confirmed incidents of corruption and actions taken	125
GRI 206 : Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	125
Material Issue 6. Quality & Customer Satisfaction			
GRI 3: Material Topics 2021	3-3	Management of material issues	28, 81-84

GRI Index

Topic Standards

Non-Material Topic Standards

Category	Disclosure	Requirements	Report Page
GRI 101: Biodiversity	101-1	Policies to halt and reverse biodiversity loss	49
	101-2	Biodiversity impact management	54
	101-4	Identification of biodiversity impacts	51-53
	101-5	Locations with biodiversity impacts	51
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed (EVG&D)	109, 126
	201-3	Defined benefit plan obligations and other retirement plans	Annual Report p. 61, 96–97 (Employee Benefits, etc.)
	201-4	Financial assistance received from government	Annual Report p. 41 (Receipt of government subsidies)
GRI 202 : Market Presence	202-1	Ratio of entry-level wage to the minimum wage in the region where the workplace is located	123
GRI 303 : Water	303-3	Water withdrawal	113
GRI 306 : Waste	306-2	Management of significant waste-related impacts	48
	306-3	Waste generated	112
	306-4	Waste diverted from disposal	112
	306-5	Waste directed to disposal (incineration, landfill, etc.)	112

Category	Disclosure	Requirements	Report Page
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	76
	403-2	Hazard identification, risk assessment, and incident investigation	78
	403-3	Occupational health services	67, 79-80
	403-4	Worker participation, consultation, and communication on occupational health and safety	80
	403-5	Worker training on occupational health and safety	80
	403-6	Promotion of worker health	67
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79, 80
	403-8	Workers covered by the occupational health and safety management system	122
	403-9	Work-related injuries	121
GRI 405 : Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	95, 116, 117, 124
	405-2	Ratio of basic salary and remuneration of women to men	123
GRI 406 : Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	58, 120
GRI 418 : Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	125

TCFD Index

HD Hyundai Marine Solution identifies climate change-related risks and opportunities and analyzes financial impacts based on TCFD (Task Force on Climate-related Financial Disclosures) recommendations, building response strategies and risk management systems.

Category	Metrics	Report Page
Governance	A. Describe the board's oversight of climate-related risks and opportunities	38
	B. Describe management's role in assessing and managing climate-related risks and opportunities	38
Strategy	A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	41
	B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	42
	C. . Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	39, 42-43
Risk Management	A. Describe the organization's processes for identifying and assessing climate-related risks	41
	B. Describe the organization's processes for managing climate-related risks	41
	C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	41
Metrics and Targets	A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	42
	B. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	39-41, 110
	C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	44

SASB Index

The SASB Index was prepared in accordance with the Industrial Machinery & Goods industry standard of the Resource Transformation (RT-IG) sector among SASB industry standards.

Category	Code	Metrics	Unit	Report Page
Energy Management	RT-IG-130a.1.	(1) Total energy consumed GJ	GJ	111
		(2) Percentage grid electricity	%	-
		(3) Percentage renewable %	%	111
Employee Health and Safety	RT-IG-320a.1	(1) Total Recordable Incident Rate (TRIR)	rate	121
		(2) Fatality rate	rate	121
	RT-IG-320a.1	(3) Near Miss Frequency Rate (NMFR)	rate	121
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	L/100km	-
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	L/hours	-
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	kJ/L	-
	RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	g/kJ	-
Materials Sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	N/A	71, 74-75
Remanufacturing Design & Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	KRW million	-
Activity Metrics	RT-IG-000.A	Number of units produced by product category	products	-
Activity Metrics	RT-IG-000.B	Number of employees	persons	115

UN SDGs Index

HD Hyundai Marine Solution actively strives to implement the UN Sustainable Development Goals (SDGs). The SDGs consist of 17 goals to be jointly achieved by the international community including poverty eradication, quality education, sustainable economic growth, and environmental protection. HD Hyundai Marine Solution intends to align its sustainability management level with these goals and contribute to achieving goals by establishing strategies for sustainable development.

Major SDGs	HD HMS Key Activities and Achievements	Report Page
End poverty in all its forms everywhere	• Operate programs to support local communities and underprivileged groups	86-88
Ensure healthy lives and promote well-being for all at all ages	• Provide employee welfare and benefits programs	67-68
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	• Implement structured training programs for talent development	64-65
Achieve gender equality and empower all women and girls	• Operate maternity and childcare support systems • Establish diversity targets for female employees	63, 68
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	• Establish six core human rights principles (prohibition of child labor and discrimination, etc.) • Conduct human rights impact assessments and publish human rights management report	58, 60
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	• Develop sustainable solutions and technologies	35-36
Reduce inequality within and among countries	• Establish a human rights management policy • Define the direction of ethical management (prohibition of discriminatory treatment, etc.)	58, 90
Take urgent action to combat climate change and its impacts	• Establish carbon neutrality targets and strategies for 2035 • Measure Scope 3 emissions	39-40
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	• Conduct biodiversity assessments near sites	50-55
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	• Prohibit all forms of unethical behavior and practice compliance management	90-92

Independent Assurance Statement

Dear Management and Stakeholders of HD Hyundai Marine Solution

Introduction

Korean Standards Association ("KSA") was commissioned by HD Hyundai Marine Solution ("the Company") to perform a third-party Assurance Engagement of 'HD Hyundai Marine Solution Report'("the Report"). KSA presents independent opinions as follows as a result of the feasibility of the data contained in this Report. The Company has sole responsibility for the content and performance contained in this Report.

Independence

As an independent assurance agency, KSA does not have any kind of commercial interest in businesses of the Company apart from undertaking a third-party assurance on the Report. KSA has no other contract with the Company that may undermine credibility and integrity as an independent assurance agency.

Assurance Standards: AA1000AS v3

Assurance Level and Type: Moderate, Type2

Note: Moderate assurance has a lower level of confidence than high assurance because it is based on limited evidence.

Assurance Scope

The assurance scope includes systems and activities such as sustainability management policies, goals, businesses, standards, and achievements of the Company during the reporting period. While the Company's environmental and social data, as well as financial data in a broad sense, was verified, the scope of review concerning stakeholder engagement was limited to the materiality assessment process.

• in adherence with the four principles of AA1000AP(AccountAbility Principles) 2018
• in accordance with GRI Standards 2021

(Topic Standards)

101-1, 101-2, 101-4, 101-5, 201-1, 201-2, 201-3, 201-4, 202-1, 205-1, 205-2, 205-3, 206-1, 302-1, 302-3, 302-5, 305-1, 305-2, 305-3, 305-4, 305-7, 303-3, 306-2, 306-3, 306-4, 306-5, 308-1, 308-2, 401-1, 401-2, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 413-1, 414-1, 414-2, 418-1

Assurance Methodology

KSA used the following methods to gather information, documents, and evidence with respect to the assurance scope.

• Confirmation of stakeholder engagement and materiality assessment process by the sustainability expert.
• Verification of environmental information disclosure data and information by the environmental expert.
• Examination of internal documents and basic materials.

Assurance limitations

KSA assumed that the data and evidence provided by the Company were complete and sufficient. KSA provided limited assurance through data inquiry and analysis as well as limited sampling methods.

Assurance Results and Opinions

KSA reviewed the draft version of this Report within the scope of this assurance and presented our opinions as an assurance provider. Modifications were made to the Report content if deemed necessary. KSA was not aware of any suspicions of significant errors or inappropriate descriptions in this Report as a result of our Assurance Engagement. As such, KSA presents our opinions of the 'HD Hyundai Marine Solution Report' as follows.

Independent Assurance Statement

Four principles of AA1000AP(AccountAbility Principles) 2018

Inclusivity

- Has the Company engaged its stakeholders in strategically responding to sustainability?
  KSA believes the Company is aware of the importance of stakeholder engagement and is making an all-out effort to establish a process that will increase their engagement. The Company has selected stakeholders including employees, suppliers, customers, shareholders and investors, communities and NGOs, government, and policy organizations and has communication channels for each group to receive diverse feedbacks and opinions.

Materiality

- Has the Company included material information in the Report to help stakeholders make informed decisions?
  KSA is not aware of any significant omissions or exclusions of data that are material to stakeholders. KSA verified that the Company conducted a materiality assessment with issues identified from analyses of internal and external environments and reported according to the result.

Responsiveness

- Has the Company appropriately responded to stakeholder requirements and interest in this Report?
  KSA verified that the Company responded to stakeholders' needs and interests by reflecting stakeholders' opinions in the Report. KSA is not aware of any evidence that the Company's response to significant issues of stakeholders was reported inappropriately.

Impact

- Has the Company appropriately monitored its impact on the stakeholders?
  KSA verified that the Company is monitoring and assessing its impact on the stakeholders by conducting an enhanced verification of its standard business activities. Furthermore, it has been verified that the Company appropriately publishes its findings in the Report.

Reliability and quality of specified performance

- Has the Company appropriately collected and disclosed specified performance information based on a reliable process?
  The assurance provider performed a reliability assurance of the sustainability performance information on the subject of Type 2 assurance. To assure this information, interviews were conducted with relevant personnel, and it was determined that the performance information disclosed in the Report was collected and disclosed based on a reliable process and evidence. Additionally, no evidence was found indicating that specific sustainability information was inaccurately reported.

June 2026
Dong Min Moon KSA Chairman & CEO

AA1000
Licensed Report
000-70/V3-DDLQO

The Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider that distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS certification and ISO certification. The KSA is committed to the sustainable development of Korean society as an ISO 26000 national secretary, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, and as an assurance provider of the Korean government's greenhouse gas energy target management system.

GHG & Energy Assurance Report

EVC-26-048-1

HD Hyundai Marine Solution Co., Ltd. 477, Bundangsuseo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity of the criteria and procedures for calculating GHG emissions within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted a limited assurance verification of HD Hyundai Marine Solution Co., Ltd.'s Scope 1 and Scope 2 GHG statement.

- Reporting Target : Overseas subsidiaries, domestic subsidiaries, and domestic business sites of consolidated entities under the operational control of HD Hyundai Marine Solution Co., Ltd.
- Boundary : Scope 1(Direct emissions), Scope 2(Indirect emissions)
  - Scope 1 : Stationary combustion, Mobile combustion
  - Scope 2 : Externally purchased power and heat
- Year : January 1, 2025 to December 31, 2025

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- Calculation criteria
  - KS I ISO 14064-1:2018
  - Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Ministry of Environment No. 2025-64)
  - 2006 IPCC Guidelines for National Greenhouse Gas Inventories
  - WRI(World Resources Institute) Greenhouse Gas Protocol

4. Level of assurance verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to HD Hyundai Marine Solution Co., Ltd. Headquarters
- Method of confirmation
  - Interview with greenhouse gas emissions manager and field staff
  - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
  - Tracking review of internal documents and basic data

HD Hyundai Marine Solution Co., Ltd. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

6. Verification Conclusion

Korean Standards Association confirmed that the GHG emissions calculated by HD Hyundai Marine Solution Co., Ltd. meet the level of assurance and the materiality threshold (less than 10%) in accordance with the verification criteria. No evidence was found to suggest that the GHG data and information were unfairly presented.

HD Hyundai Marine Solution Co., Ltd. has taken appropriately corrective actions on the major findings identified by the verification team. Based on the verification results, including the absence of material errors of omissions, the data and processes are considered to meet the verification and guidelines. Therefore, a 'Unmodified opinion' is issued.

Appendix. GHG Emissions (Scope 1, Scope 2)

(Unit : tCO_2eq)

No.	Division	Scope 1	Scope 2	Subtotal
1	HD HYUNDAI MARINE SOLUTION GLOBAL R&D CENTER	14.965	577.665	592.630
2	HD HYUNDAI MARINE SOLUTION GLOBAL DIGITAL CENTER	4.834	135.568	140.402
3	HD HYUNDAI MARINE SOLUTION CSP	13.777	35.285	49.062
4	HD HYUNDAI MARINE SOLUTION BUSAN NOKSAN WAREHOUSE	13.182	32.136	45.318
5	HD HYUNDAI MARINE SOLUTION BUSAN NEW PORT WAREHOUSE	38.724	151.992	190.716
6	HD HYUNDAI MARINE SOLUTION TECH	31.631	90.154	121.785
7	HD Hyundai Marine Solution Americas CO.LTD.	13.303	62.287	75.590
8	HD Hyundai Marine Solution Singapore PTE.LTD.	19.073	28.995	48.068
9	HD Hyundai Marine Solution Europe B.V.	52.624	35.121	87.745
10	HD Hyundai Marine Solution Middle East FZE	32.821	49.494	82.315
Total		234.933	1,198.697	1,433

※ Note : The final GHG emissions are presented as integer values (with decimals truncated).

June 16, 2026

KOREAN STANDARDS ASSOCIATION

KSA IAF 국립환경과학원

GHG & Energy Assurance Report

EVC-26-048-2

HD Hyundai Marine Solution Co., Ltd. 477, Bundangsuseo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity of the criteria and procedures for calculating GHG emissions within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions or removals
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted a limited assurance verification of HD Hyundai Marine Solution Co., Ltd.'s Scope 3 GHG statement.

- Reporting Target : Domestic business sites of HD Hyundai Marine Solution Co., Ltd. on a separate-company basis
- Boundary : Scope 3(Other indirect emissions)
  - Scope 3 : Category 1. Purchased goods and services
    Category 2. Capital goods
    Category 3. Fuel and energy-related activities(not included in scope 1 or scope 2)
    Category 4. Upstream transportation and distribution
    Category 5. Waste generated in operations
    Category 6. Business travel
    Category 7. Employee commuting
    Category 10. Processing of Sold Products
- Year : January 1, 2025 to December 31, 2025

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to the procedures stipulated in ISO 14064-3 : 2019.

- Calculation criteria
  - KS I ISO 14064-1:2018
  - Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Ministry of Environment No. 2025-64)
  - 2006 IPCC Guidelines for National Greenhouse Gas Inventories
  - WRI(World Resources Institute) Greenhouse Gas Protocol
  - Corporate Value Chain (Scope 3) Accounting and Reporting Standard
  - Technical Guidance for Calculating Scope 3 Emissions – Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard

4. Level of assurance verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to HD Hyundai Marine Solution Co., Ltd. Headquarters
- Method of confirmation
  - Interview with greenhouse gas emissions manager and field staff
  - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
  - Tracking review of internal documents and basic data

HD Hyundai Marine Solution Co., Ltd. should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

6. Verification Conclusion

Korean Standards Association confirmed that the GHG emissions calculated by HD Hyundai Marine Solution Co., Ltd. meet the level of assurance and the materiality threshold (less than 10%) in accordance with the verification criteria. No evidence was found to suggest that the GHG data and information were unfairly presented.

HD Hyundai Marine Solution Co., Ltd. has taken appropriately corrective actions on the major findings identified by the verification team. Based on the verification results, including the absence of material errors of omissions, the data and processes are considered to meet the verification and guidelines. Therefore, a 'Unmodified opinion' is issued.

Appendix. GHG Emissions from Domestic Business Sites(Scope 3) (Unit : tCO_2eq)

Category		GHG Emissions
Category 1	Purchased goods and services	152,264.53
Category 2	Capital goods	138.80
Category 3	Fuel and energy-related activities (not included in scope 1 or scope 2)	147.90
Category 4	Upstream transportation and distribution	7,620.18
Category 5	Waste generated in operations	0.29
Category 6	Business travel	1,042.02
Category 7	Employee commuting	158.68
Category 10	Processing of Sold Products	298.64
Total		161,671

※ Note : Emissions for each category are presented as integer values (rounded), and the final total GHG emissions are presented as integer values (decimals truncated).

June 16, 2026

KOREAN STANDARDS ASSOCIATION

KSA IAF 국립환경과학원

Status of Affiliated Organizations and Information Disclosure

Membership in Associations

Korea Listed Companies Association

Korea Petroleum Distributors Association

Policy Expenditures[1)]

Category	Unit	Reporting Scope	2022	2023	2024	2025
Total Policy Expenditures	KRW 10K	HMS	0	0	0	0
Lobbying and Interest Groups	KRW 10K	HMS	0	0	0	0
Political Contributions	KRW 10K	HMS	0	0	0	0
Associations and Tax-Exempt Organizations	KRW 10K	HMS	33	33	1,315	1,057

1) 2025 Expenditures for Associations and Tax-Exempt Organizations:
– Korea Listed Companies Association: KRW 12.04 million
– Korea Petroleum Distributors Association: KRW 0.33 million

Information Disclosure Status

Category	Key Content
HD Hyundai Marine Solution Website	Company introduction, business and solution overview, sustainability management, investor information, customer inquiries, etc.
HD Hyundai Marine Solution LinkedIn	Introduction of HD Hyundai Marine Solution's key businesses, contracts, products, and corporate news
HD Hyundai Marine Solution YouTube	Introduction of HD Hyundai Marine Solution's brand, business, employees, and key promotional content
HD Hyundai Ethics Management	Introduction of the Group's ethics management direction and code of ethics, online reporting and consultation
Investor Relations (IR) Briefing	Regular disclosure of business performance and future business outlook