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## Notice

The ESG policy of Yura Corporation has been established based on the laws of the Republic of Korea, where the headquarters is located, and overseas subsidiaries operate in compliance with the headquarters' policy.

The key leadership of overseas subsidiaries aims to carry out their duties based on the laws of the Republic of Korea and the ESG policy of the headquarters. However, in cases where Korean laws or the headquarters' ESG policy conflict with local laws of the overseas subsidiaries, the local laws shall take precedence.

All laws mentioned in this policy are part of the legal framework of the Republic of Korea. However, if there are similar provisions in the local laws of the overseas subsidiaries, such local legal provisions shall take priority. In the event of any discrepancies in interpretation between the Korean and English versions, the Korean original shall be considered the official interpretation.

Certain departments specified in this policy may only exist at the headquarters. Nevertheless, in the case of overseas subsidiaries, departments that perform the same functions as those at the headquarters, departments delegated with authority from the headquarters, or the relevant headquarters departments responsible for such functions shall apply as the standard.

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**Revision History**

Version	Revision Date	Revision Details
1	23.03.02	Initial Establishment
2	23.06.01	Added Supply Chain Management to Environmental Regulation Management Process (Execution Plan _ 8)

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## Purpose

This policy aims to prevent environmental pollution that may arise throughout business operations, including production sites, supply chains, and distribution networks. YURA is committed to complying with applicable environmental laws, strengthening risk management capabilities, and contributing to environmental protection and climate crisis mitigation through collaboration with relevant stakeholders.


## Scope of Application

This policy applies to YURA and its affiliates. Additionally, suppliers conducting business with YURA are encouraged to comply with this policy or adopt an equivalent policy.

## Environmental Policy

All employees shall implement the following principles as a priority in all business areas. The Environmental Policy is available on YURA's official website (<https://www.yuracorp.co.kr/sustainability/sub03.jsp>).

1. Recognize environmental challenges as a top priority in business strategy and minimize the impact of business operations on the environment.
2. Comply with all applicable environmental laws and establish stricter internal standards for implementation.
3. Actively participate in preventive activities to identify and eliminate environmental risks, ensuring continuous improvement.
4. Promote and support mutual cooperation with business partners on environmental protection.
5. Guarantee employee participation and consultation in environmental matters, ensuring open communication with stakeholders.

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## Fundamental Principles

### 1. Compliance with Environmental Regulations and Reduction of Environmental Impact

- Strictly comply with international agreements and environmental regulations, creating eco-friendly workplaces by reducing environmental impacts throughout the product lifecycle, including development, production, use, and disposal.
- Introduce eco-friendly production processes and adopt optimal pollution control technologies to minimize emissions.
- Recognizing the severity of environmental pollution, continuously implement initiatives to reduce emissions from production activities.

### 2. Climate Change Response


- To prepare for the risks associated with climate change, the Company manages greenhouse gas emissions and energy consumption with systematic monthly targets and results tracking, while reducing fossil fuel and raw material consumption and improving energy efficiency to mitigate greenhouse gas emissions.

### 3. Biodiversity Conservation and Natural Environment Restoration

- Utilize natural resources and by-products efficiently to support ecosystem restoration and biodiversity conservation.
- To minimize damage to the global environment such as green areas, forests, wetlands, and oceans, the Company conducts risk assessments before expanding or establishing new business sites and implement restoration measures, such as reforestation and greening, when withdrawing operations.

### 4. Raw Materials and Water Resource Management

- Consider resource usage in product manufacturing and strive to reduce resource consumption by replacing materials with sustainable, low-impurity alternatives, adopting eco-friendly substances, installing water-saving facilities, or introducing clean production technologies.

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## 5. Waste and Wastewater Management

- Minimize waste and wastewater generation during business operations while maximizing recycling and establishing necessary waste treatment or purification systems to minimize environmental impact from emissions.

## 6. Hazardous Chemical Management


- Implement systematic management of hazardous chemicals to prevent spills, leaks, or other accidents while continuously striving to reduce the use and emissions of hazardous substances.

## 7. Air Pollutant Emission Management

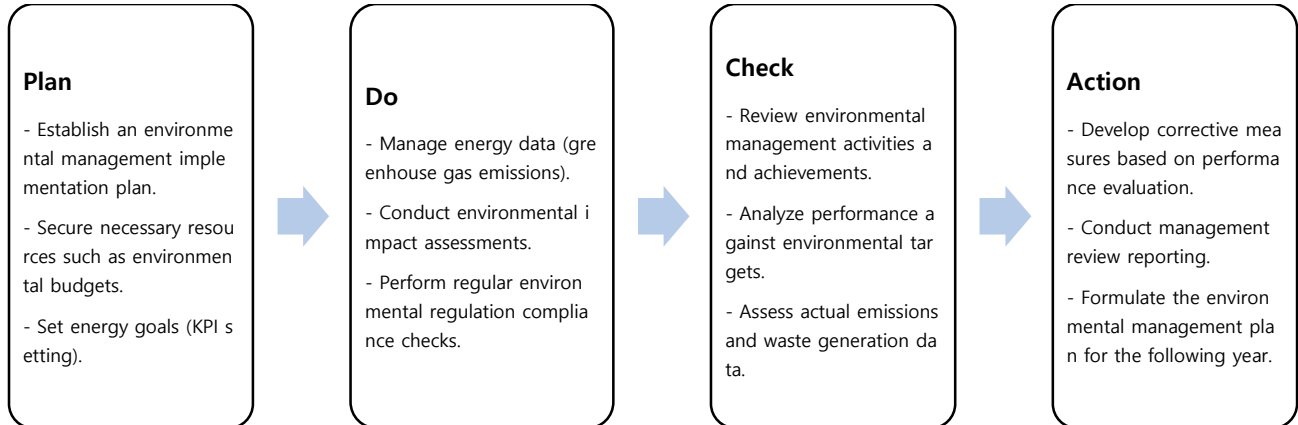
- Monitor emissions of air pollutants such as sulfur oxides, nitrogen oxides, and fine dust while setting and managing internal emission standards stricter than legal requirements to reduce overall pollutant levels.

## 8. Compliance with Product Environmental Regulations

- Research national environmental regulations, standards, and incidents related to our products.
- Maintain communication with procurement teams to ensure compliance with chemical regulations, while the quality assurance team verifies compliance with customer requirements.
- The Company conducts thorough assessments of the direct and indirect environmental impacts associated with our activities, products, and services. When assessing indirect impacts, the Company evaluates the environmental effects arising from the use and disposal of manufactured products.

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## Implementation System



## Execution Plan

### 1. Establishment of an Environmental Management System

- Evaluate environmental risks specific to the Company's business activities and establish an Environmental Management System (EMS) to effectively respond to these risks, setting specific performance goals for continuous improvement.
- The Board of Directors and management actively participate in major decision-making, management, and supervision related to the EMS, ensuring its effective implementation by assigning responsible personnel and providing necessary human and material resources.
- To operate the EMS effectively, environmental considerations shall be incorporated into existing policies according to business conditions, and when necessary, specific policies, guidelines, and regulations shall be established for detailed environmental areas such as biodiversity, forestry, wetlands, and climate risks.
- The Company shall communicate the importance of environmental protection and climate change response to stakeholders, including suppliers, partners, and business associates, and support them in establishing their own environmental management systems.
- Executives and department heads shall conduct training programs to ensure that employees understand the significance of environmental management and the EMS.

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## 2. Climate Change Response


- The Company integrates climate change-related risks into the company-wide risk assessment framework and management strategy, ensuring systematic documentation and oversight.
- Report climate-related risks and mitigation strategies to the Board of Directors and top management to enhance transparency and accountability.
- Set and implement reduction targets for greenhouse gas emissions to achieve carbon neutrality.
- Improve climate-related disclosures by adhering to frameworks such as the CDP (Carbon Disclosure Project) and TCFD (Task Force on Climate-related Financial Disclosures).

## 3. Business Site Environmental Management

- Ensure that environmental management at production sites and business facilities is effectively carried out through KPI-based goal management, training programs, policy development, internal audits, and systematic procedures.
- Minimize pollutant emissions and their environmental impact by applying eco-friendly production processes and optimal pollution prevention technologies.
- Develop and operate an environmental management manual tailored to the characteristics of each production facility and business site, monitoring environmental impacts generated during facility operations and continuously improving processes.
- Conduct thorough risk assessments before establishing, expanding, or closing business sites to ensure ecosystem and global environmental preservation, striving for zero environmental impact, while actively exploring and implementing measures such as forest and wetland restoration projects to mitigate ecosystem impacts.

## 4. Environmental Regulation Compliance Management

- Monitor and ensure compliance with all applicable domestic and international environmental regulations by reviewing relevant laws, international agreements, and applicable requirements, registering them in the legal database, and updating them at least once a year to reflect any legal changes.

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Maintain an environmental regulation management process as follows:



## 5. Minimization of Environmental Impact


- Recognizing the severity of environmental pollution, continuously implement initiatives to minimize the emission of pollutants generated during production activities.
- Enhance the management of hazardous substances such as heavy metals, improve recycling processes, and promote the use of eco-friendly designs and systems to minimize environmental pollution through increased recycling efforts.

## 6. Product and Service Development & Distribution

- Recognize both risks and opportunities in the transition to a low-carbon economy, expand the supply of eco-friendly products and by-products, and minimize environmental impact throughout the entire product and service development and distribution process by assessing environmental risks in transportation and logistics.
- Strengthen competitiveness by developing low-carbon, eco-friendly, and renewable energy-based products.

## 7. New Projects and Mergers & Acquisitions

- Minimize environmental risks in new business and investment reviews by establishing environmental management plans and conducting environmental impact assessments.
- Identify and proactively address environmental risks during mergers and acquisitions through thorough due diligence.

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## 8. Supply Chain Management & Contractor Evaluation

- Minimize environmental impact by incorporating environmental management standards into the evaluation criteria for selecting external suppliers and contractors.
- Support suppliers and partner companies in establishing high-level environmental management systems and proactively manage environmental risks across the entire supply chain through self-assessments of supplier environmental performance.