HANKOOK TIRE & TECHNOLOGY

ESG REPORT 2025/26

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Interactive User Guide

The Hankook Tire & Technology ESG Report 2025/26 was published as an interactive PDF to facilitate navigation between relevant pages and enable direct links to related webpages.

INTRODUCTION

ABOUT THIS REPORT

Report Overview

Hankook Tire & Technology presents this report to transparently disclose our 2025 ESG (Environmental, Social, Governance) performance and mid- to long-term direction to stakeholders. The report illustrates our key issues and performance across the ESG areas, and outlines our management framework and implementation status in pursuit of sustainable corporate growth and value creation.

Reporting Standards

This report has been prepared in accordance with the 'GRI (Global Reporting Initiative) Standards 2021 reporting principles' and reflects the reporting topics presented by the SASB, ESRS, UN SDGs, TCFD, and TNFD. The reporting standards and definitions of the financial information contained herein are in conformity with the K-IFRS (Korean International Financial Reporting Standards).

Reporting Period

The official reporting period of this report spans from January 1 to December 31, 2025, and extends to the first half of 2026 for certain activities. For quantitative performance, three-year data is disclosed to present its progressive trajectory over time.

Reporting Boundary

This report centers around the performance and plans of Hankook Tire & Technology. The report covers the overall environmental, social and governance areas, and the scope of data collection spans our domestic operations-the Headquarters in Gyeonggi-do, Daejeon/Geumsan Plants, and R&D centers-in addition to all our overseas operations in Hungary, China, Indonesia, the US and other countries. Any deviations in data coverage are separately noted within the report. We will continue to extend our reporting boundary for a more accurate and broad representation of the ESG efforts and performance of our overseas operations and our global initiatives.

Assurance

This report was assured by the Korea Productivity Center, an independent third-party organization, to establish the credibility of the report content. For assurance standards and findings, please see pages 93-94 of this report.

Forward-Looking Statements

This report contains forward-looking statements regarding Hankook Tire & Technology's future strategies, goals, and plans. These statements reflect assumptions about the business landscape and operating plans at the time of preparation, and actual results may differ due to subsequent changes in market conditions, regulations, and other internal and external uncertainties.

Report Inquiries

For further information or inquiries regarding this report, please contact us using the information below.

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CEO LETTER

Sang Hoon Lee
Co-CEO and President
Hankook Tire & Technology

Dear Esteemed Stakeholders,
Let us begin by extending our heartfelt gratitude for your unwavering support and encouragement for Hankook Tire & Technology's sustained growth and innovation.

The year 2025 was marked by persistent external uncertainties, including a global economic slowdown, shifts in the trade environment, and heightened geopolitical risks. Despite these headwinds, Hankook Tire & Technology leveraged its technological competitiveness and global operational capabilities to deliver KRW 21.2023 trillion in sales and KRW 1.8411 trillion in operating profit on a consolidated basis. Our tire business alone posted solid results of KRW 10.3186 trillion in sales and KRW 1.6843 trillion in operating profit. These achievements are never the product of reactive, short-term responses to shifting market dynamics. Rather, they reflect the cumulative impact of our sustained commitment to technological innovation, premium brand strategy, and operational efficiency, alongside our steady efforts to strengthen the foundation for sustainability across the Environmental, Social, and Governance areas.

In particular, we are boosting the cadence of our technological innovation to secure sustainable product competitiveness. Our development of next-generation products, including EV-exclusive tires, and the expansion of high-value-added offerings go beyond a simple sales strategy—they form part of our broader product strategy that balances energy efficiency, driving safety, and resource efficiency. As we respond to shifts in the future mobility market, we continue to bolster our technological capabilities and quality competitiveness, with the aim of delivering safer, more sustainable value to our customers.

Guided by this overarching direction and our ESG vision of 'Innovation for a Sustainable Future,' we are shaping a sustainable future powered by technological innovation and responsible management. We view ESG not merely as a matter of disclosure or compliance, but as a core value that underpins our decision-making and execution across our entire business operations. This conviction drives us to continuously strengthen ESG governance under the principled oversight of our Board and top management, building the foundation to manage key issues across the Environmental, Social, and Governance areas more systematically.

In the Environmental area, we are advancing meaningful transformation in taking climate action, expanding eco-friendly materials, and enhancing resource circularity. We continue to improve energy efficiency and reduce greenhouse gas emissions across our production processes, while broadening the application of eco-friendly materials to elevate sustainability throughout our products and operations. These efforts yielded a meaningful achievement in 2025: our Daejeon Plant became the third site—following the Geumsan and Hungary Plants—to earn 'ISCC (International Sustainability & Carbon Certification) PLUS' certification, demonstrating the continued expansion of our sustainable production system.

In the Social area, our foremost priority remains a safe and healthy workplace. We continuously monitor our health and safety management framework to safeguard our employees and our suppliers' workforce alike, while embedding a safety-first culture through prevention-focused activities and training as well as robust on-site management. We are equally committed to fostering an organizational culture rooted in diversity and inclusion, respect for human rights, and capability development—one where our employees can grow together. In parallel, we are strengthening ESG assessment and management across our supply chain to advance responsible, mutually beneficial growth.

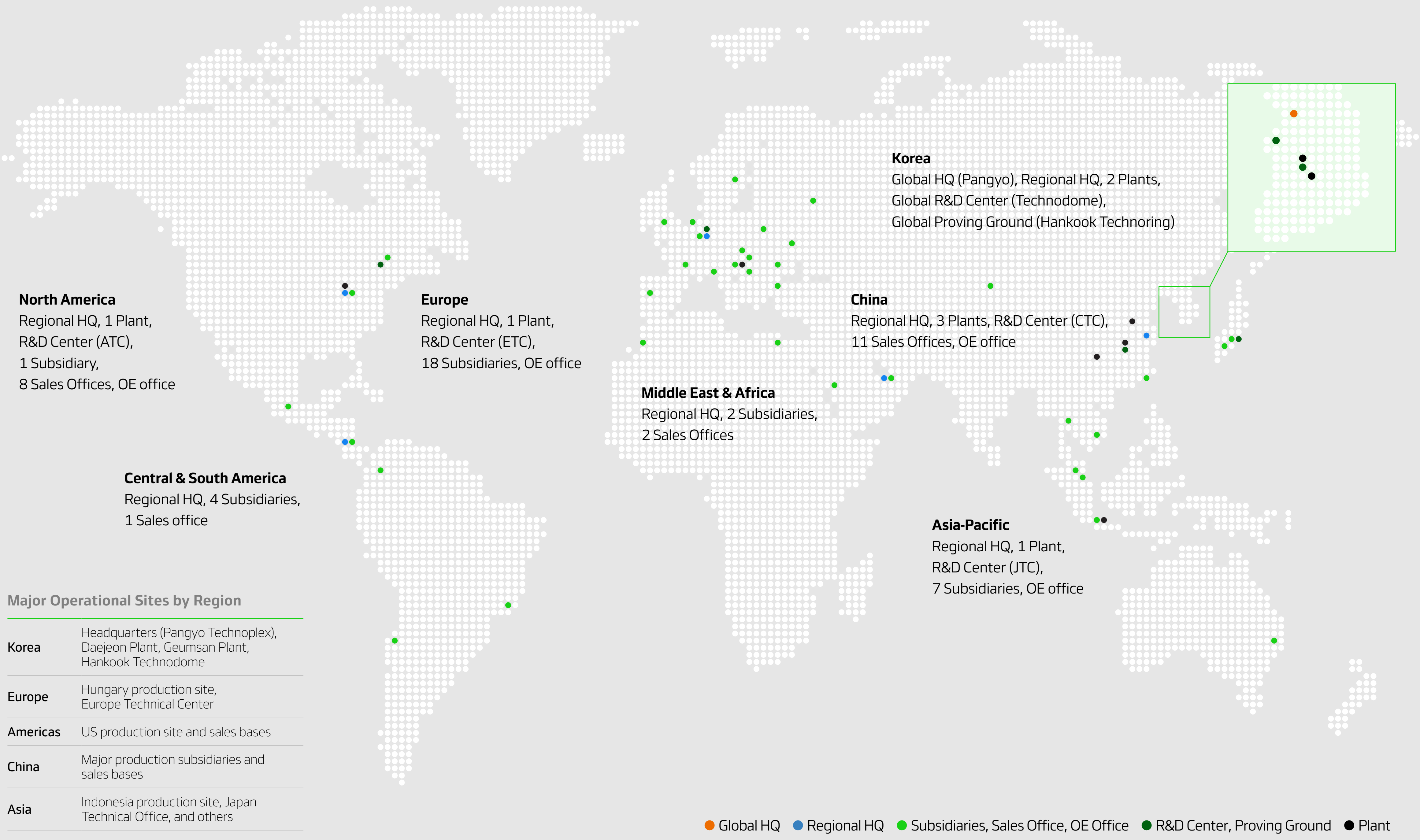
In the Governance area, we continue to reinforce ethics and compliance, transparent disclosure, and risk management. Anchored in a responsible decision-making structure, we aim to meet the expectations of our global stakeholders, and earn greater trust through the balanced management of ESG-related risks and opportunities.

Looking ahead, we will continue to progress towards our mid- to long-term goal of 'Be the 1st Tier,' balancing growth and technology, profitability and operational competitiveness, and ultimately, sustainability. Our newly defined strategic direction and Key Initiatives provide the foundation for executing this vision, which revolves around our steadfast commitment to sustainable value creation. We will continue to build a safer, more transparent, and more sustainable future together with our customers, shareholders, employees, suppliers, and local communities.

We once again extend our deepest gratitude for the trust and continued interest you have shown in Hankook Tire & Technology's sustainability journey.

Jong Seon Ahn
Co-CEO and President
Hankook Tire & Technology

COMPANY PROFILE



Major Operational Sites by Region

Korea	Headquarters (Pangyo Technoplex), Daejeon Plant, Geumsan Plant, Hankook Technodome
Europe	Hungary production site, Europe Technical Center
Americas	US production site and sales bases
China	Major production subsidiaries and sales bases
Asia	Indonesia production site, Japan Technical Office, and others

Company Overview

Initiated as Korea's first tire manufacturer back in 1941, Hankook Tire & Technology has made quantum leaps along the way, through its commitment to developing technology, expanding its production and sales network, forming partnerships with global OEM brands, launching effective brand marketing campaigns, and delivering differentiated customer services. Presently, we have an annual production capacity of over 100 million tires across eight production sites in five countries-Korea, China, the US, Hungary and Indonesia-serving more than 160 countries as a global tire company. Our goal is to emerge as a global top-tier company that leads the future automotive industry by rendering our core business more competitive based on our world-class technology leadership and by continuously pursuing technology-driven innovation and improving our premium brand value.

Company Name (Type)	Hankook Tire & Technology Co., Ltd.
Date of Establishment	Sept. 03, 2012[1)]
Date of Listing	Oct. 04, 2012[1)]
Main Business	Manufacturing, reproducing, processing, and selling automotive tires, tubes, and components
Main Products (Summary)	Passenger car tires, SUV tires, EV tires, van tires, winter tires, truck and bus tires
Headquarters Address	286 Technoplex (Sampyeong-dong), Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea
Main Phone Number	+82-31-5178-7000

1) Established through a spin-off of the tire division of the former Hankook Tire Co., Ltd., with September 1, 2012 as the division date. (Original establishment: May 10, 1941)

Global Network

Hankook & Company Group drives balanced growth both in mature and emerging automotive markets, drawing on its locally tailored strategy that prioritizes specific local contexts. Its sales network spans China, Europe, the Americas, Asia-Pacific, and the Middle East-Africa as well as Korea where it is headquartered, offering products customized to local customer profiles. Communication channels for original equipment (OE offices) are also operating in Korea, China, Germany, the US, and Japan to forge closer partnerships with global automotive companies.

MISSION & VISION

BUSINESS PRINCIPLE

- We seek innovation in all aspects
- We think of customers as our top priority
- We grow with our employees
- We fulfill our social responsibilities based on sustainability
- We make an effort to maximize shareholder value

CORE VALUE

We pursue the Proactive Leadership

- Passion
- Innovation
- Collaboration
- Global

MISSION

Future Innovated, Innovation Realized

We pursue innovation to realize the future our customers imagine.

VISION

The Future Driving Innovator

STRATEGIC DIRECTIONS

1. Growth
2. Technology
3. Profit
4. Operation
5. Sustainability

KEY INITIATIVES

1. Solid Top 5
2. Tire Technology No.1
3. Strong Cash Flow & Profit
4. Operational Excellence
5. Sustainable Futures

Brand Portfolio

Hankook Tire & Technology strategically operates four global tire brands: 'Hankook' represents our leading premium brand in Korea and abroad; 'Laufenn' delivers the value drivers need every day for global customers who seek the essence of driving; 'Optimo' showcases the combination of technological prowess and reliability; and 'Kingstar' caters to specific local needs.

Hankook *driving emotion*

Hankook is the global flagship brand of Hankook Tire & Technology, housing a range of sub-brands that cater to subdivided vehicle and product types to serve diverse segments of customers the world over: iON (EV-exclusive tire), Ventus (premium tire), Dynapro (SUV tire), Kinergy (comfort tire), Vantra (van tire), Winter i*cept (winter tire), and Smart (truck/bus tire).

Laufenn

Laufenn, whose name originates from the German word meaning 'to run', focuses on the essence of driving. The brand stays true to a core driving experience built on safety, stability, and comfort, delivering dependable performance rooted in the fundamentals of tire technology. Laufenn operates diverse brands spanning Z Fit, S Fit (high-performance and sports tire), G Fit (general passenger vehicle tire), X Fit (LT & SUV tire), and I Fit (winter tire).

Optimo

Optimo showcases exceptional technology and reliability all while faithfully delivering intended tire performance. Optimo operates differentiated brands, spanning All Weather, All Weather SUV (all weather tire), GT, Touring (summer tire), Winter GT, Winter Touring (winter tire), GT AS, Touring AS (all season tire), and SUV (on-road SUV tire).

Kingstar

Kingstar refers to 'tires that deliver optimal on-road performance' and operates the 'Road Fit' brand.

BUSINESS PERFORMANCE

2025 Key Achievements

In 2025, Hankook Tire & Technology recorded KRW 21.2023 trillion in sales and KRW 1.8411 trillion in operating profit on a consolidated basis, with our tire business delivering solid results of KRW 10.3186 trillion in sales and KRW 1.6843 trillion in operating profit. We further cemented our leadership position in the worldwide market through partnerships with global brands including Porsche, BMW, Tesla, Xiaomi, Lucid, and Cupra, supplying original equipment (OE) tires to approximately 300 vehicle models across more than 50 brands. We also placed first in the EV-exclusive tire performance test conducted by Germany's 'Auto Bild' and earned top scores in tests and awards hosted by European performance assessment bodies, elevating our standing as a trusted global brand. In addition, our Daejeon Plant became the third site, following the Geumsan Plant and Hungary Plant, to obtain the internationally recognized 'ISCC PLUS certification' for eco-friendly materials.

2026 Business Strategy

In the face of the constantly shifting global trade landscape, Hankook Tire & Technology remains committed to sustainable growth by expanding profitability-driven sales centered on high-value-added products. Building on the expansion of our Tennessee Plant in the US and Hungary Plant in Europe, we aim to establish a balanced global production portfolio, and strengthen our capabilities to address key markets, driving market share growth along the way. To broaden the reach of our premium 'Hankook' brand, we will expand our logistics network, reinforce our global supply chain, raise the share of high-value-added products within our premium growth strategy, execute region-specific sales strategies, and advance into emerging markets. In tandem with this, we will accelerate digital transformation powered by world-class R&D infrastructure, AI and big data, and process automation, evolving into a global tire company that pioneers innovation in future mobility technology.

Hankook Tire & Technology Co., Ltd.

Global Consolidated Sale (Unit: KRW million)
(Tire Business + Thermal Management Systems Business)

21,202,299

Global Sales (Unit: KRW million)
(Tire Business Sales)

10,318,618

Operating Profit (Unit: KRW million)
(Consolidated)

1,841,076

Operating Profit Margin (Unit: %)
(Consolidated)

8.7

Net Income (Unit: KRW million)
(Consolidated)

971,595

EBITDA (Unit: KRW million)
(Consolidated)

3,223,833

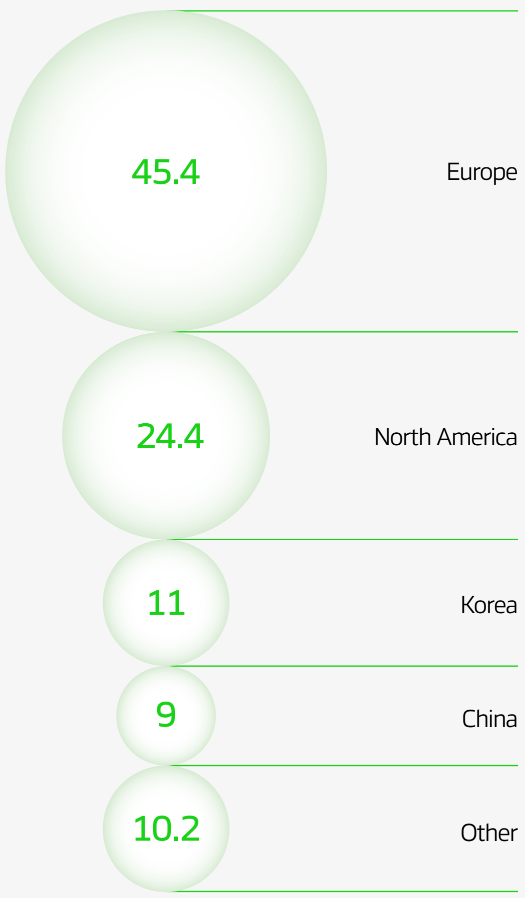
Total Assets (Unit: KRW million)
(Consolidated)

26,647,188

Total Equity (Unit: KRW million)
(Consolidated)

14,201,979

Regional Breakdown of Global Tire Sales (Unit: %)



ESG MANAGEMENT SYSTEM

ESG Management System

Hankook Tire & Technology has been operating the ESG management system since 2010 to ensure strategic and systematic ESG implementation. The ESG Committee, as our highest ESG decision-making body under the Board of Directors, consists of five independent directors and three executive directors, and is responsible for reporting on ESG business plans and results and deliberating and deciding on key operations. The ESG Strategy Committee comprises the CEO and other C-level executives to share emerging ESG trends and review external assessment results, discussing necessary improvements while deliberating on our approach to ESG priorities for the upcoming year. Each ESG Steering Committee shares its key implementation plans to identify points of consultation for related issues, and decisions are made by the CEO when necessary to ensure proper oversight at the top executive level. There are eight ESG Steering Committees organized by focus area and their operations are headed by responsible executives to strengthen their accountability for ESG management. These committees implement tasks established each year to achieve mid- to long-term goals. While we prioritize mid- to long-term sustainability in operating key implementation plans, we also ensure flexibility in aligning management items and/or organizations in step with evolving external ESG conditions.

2025 ESG Strategy Committee Outcomes

In 2025, the ESG Strategy Committee reviewed the rapidly evolving internal and external ESG landscape and shared response directions and key implementation tasks. In the 'Trend' session, the Committee examined major environmental developments, including the spread of anti-ESG sentiment, delays in EU regulatory implementation, carbon regulations, and rising ESG expectations from customers. In the '2025 ESG Approach' session, the Committee identified key priorities including securing the economic feasibility of green technology, driving value-up through corporate philanthropy branding, and improving the efficiency of ESG response. In the subsequent 'Plan' session, members collectively reviewed key ESG assessment results and necessary improvements, along with each Steering Committee's 2030 goals and 2025 key initiatives.

ESG Management System

ESG Committee Meetings Held and Agendas Addressed

Session	Date of Meeting	Attendees	Total Members	Agenda Category	Agenda	Details	Approval
1st	Feb. 4, 2025	7	8	Report	Report on 2024 ESG Performance and 2025 Plan	Carbon neutral roadmap implementation and ESG regulatory compliance Mobility project execution (vehicle sharing) 2025 initiative implementation plans by each of the 8 Steering Committees	
2nd	May. 8, 2025	8	8	Resolution	Preliminary report on the Publication of the 2024/25 ESG Report	Reporting on key changes and double materiality assessment results	
3rd	Nov. 6, 2025	8	8	Report	Approval of ESG policy Improvements	Integrated policy update	Approved
					Report on plans to enhance Board operations	Governance advancement and shareholder value enhancement	

Structure and Role of the ESG Implementation System

ESG Strategy Committee

· Consist of members from top management to decide on companywide ESG directions and issues

1) NA: North America

ESG Steering Committees

· Consist of division heads or responsible executives in each focus area to develop and implement ESG tasks
· Share ESG issues and discuss solutions

Global ESG Operation System

To ensure balanced ESG management that extends all the way to our overseas regions beyond Korea, we continuously engage with overseas headquarters and scale up our support. Given that each overseas region varies in relevance and material issues, we will restructure and operate our organization to reflect their distinct local context.

Global ESG Risk and Regulatory Response

Hankook Tire & Technology continuously monitors ESG regulations and stakeholder requirements across our key overseas regions. Europe, in particular, is a high-priority region in terms of ESG disclosure mandates and environmental regulations. In 2025, we fulfilled our EU Taxonomy disclosure obligations and reviewed the direction for implementing the applicable standards. We are also assessing our approach to complying with the CSRD, a regulation expected to apply to our European operations, and are preparing to introduce assurance procedures. Underpinned by a company-wide operational framework for EUDR compliance, we also manage our natural rubber supply chain and conduct regular monitoring, reinforcing our capabilities to address key ESG issues relevant to our global operations. Going forward, we will continue to advance our ESG management system in phases, reflecting the distinct context of each region.

Key Issues by Overseas Region

Americas	Indonesia and Asia-Pacific
Support the growth of local communities	Sustainable Raw Materials and Sourcing

ESG Operational Chart in China

Chair: Head of China Headquarters

Committee	Corporate Philanthropy Committee	Risk Committee	EHS Committee	Employee Committee	Ethics Management Committee
Responsible Team	CHN) Corporate Strategy & Innovation Team	CHN) Corporate Strategy & Innovation Team	JP)[1] Environment & Safety Team HP)[2] Environment & Safety Team CP)[3] Environment & Safety Team	CHN) HR Team	CHN) Corporate Management Team
Management Area	Community exchanges Charities/scholarships Activities Tire donations and safety campaigns	Emergency response External risk response Risk prediction and prevention	Enhanced employee health management Firefighting/safety system development	Fair HR system Employee growth Work & Life Balance Respect for human rights	Ethical management training and communication Ethical management campaigns

1) JP: Jiaxing Plant
2) HP: Jiangsu Plant
3) CP: Chongqing Plant

ESG Operational Chart in Europe

Ownership: Head of Europe Headquarters

Guide: ESG Team; GHQ Organization

Operation	Team	Management Issue
Head of Hungary Plant	MP) EHS Team MP) Purchasing Team MP) HR Team MP) Corporate	Climate change / Supplier / CSRD[1] / Human rights / EUDR[2]
Director of Marketing Department	EUR) Marketing Strategy Team Subsidiaries in EU Member States (12)	CSRD / EUDR
Director of Corporate Management Department	EUR) HR Team	Human rights
	EUR) Corporate Management Team	CSRD / EUDR

Co-work

Korean HQ supporting local organizations as needed according to the issue at hand

1) CSRD (Corporate Sustainability Reporting Directive)
2) EUDR (EU Deforestation Regulation)

ESG Work Process

Hankook Tire & Technology continuously monitors internal and external ESG issues and stakeholder requirements, and systematically manages company-wide key priorities identified through this process. Our ESG management cycle encompasses the following stages: monitoring internal and external issues; identifying material issues; establishing implementation tasks by Steering Committee; executing tasks and managing data; reporting to Strategy Committees and the ESG Committee; disclosing results and engaging with external stakeholders; and incorporating improvements. This end-to-end cycle strengthens the alignment between our ESG strategies and implementation tasks, enabling us to stay ahead of the evolving ESG landscape and stakeholder expectations.

1 Monitoring internal and external issues

We continuously monitor internal and external developments, including ESG disclosure mandates, climate change, supply chain regulations, and the requirements of rating agencies. We also review key issues by overseas region and the expectations of customers, investors, and suppliers to assess priority initiatives.

2 Identifying material issues

We compile an ESG issue pool by drawing on international standards, industry trends, benchmark analysis, and stakeholder feedback, and identify ESG issues material to Hankook Tire & Technology. Where applicable, we conduct materiality assessment to review the priority of key issues.

3 Establishing implementation tasks by Steering Committee

The identified key issues are mapped to corresponding ESG Steering Committees—including the Climate Change, Product Environment, Supplier, Employee, Ethics, and SHE Committees—and translated into mid- to long-term strategies and annual implementation tasks. Each Steering Committee shares relevant issues, deliberates on solutions, and develops concrete action plans.

4 Executing tasks and managing data

Each division and responsible department executes their assigned ESG tasks while collecting and managing relevant metrics and qualitative data. We regularly review implementation progress and performance outcomes, advancing the data management framework continuously in coordination with global operational sites and overseas regions where needed.

5 Reporting to the Strategy Committee and ESG Committees

Implementation outcomes from each Steering Committee are reported to the ESG Strategy Committee and the Board-level ESG Committee, informing the review and decision-making of key strategies and agenda items. This process ensures our ESG direction and execution is reviewed at the company-wide level.

6 Disclosing results and engaging with external stakeholders

We share key implementation progress and performance outcomes with stakeholders through ESG report publication, participation in ESG assessments, and external disclosures.
By actively addressing the requirements of external stakeholders including customers, investors, and rating agencies, we continue to enhance the transparency and credibility of our ESG information.

7 Incorporating improvements

Findings and areas for improvement identified through ESG report publication, participation in assessments, and external disclosures are incorporated into the following year's plans and implementation tasks. This enhances the continuity and execution of our ESG operations, driving the continuous advancement of our management framework.

Messages from ESG Steering Committee Chairs

Governance Committee Jeong Soo Park,
Head of Finance & Accounting Division

Since establishing the ESG Committee under the Board in 2021, Hankook Tire & Technology has been steadfast in building responsible governance. We set forth the Corporate Governance Charter in 2022, established the Code of Ethics for Independent Directors and introduced performance evaluations for the Board and independent directors in 2023, and enhanced our dividend process in 2024, progressively strengthening our governance transparency. In 2025, we laid the groundwork for interim dividend payments and strengthened cash dividend predictability, further reinforcing our shareholder-friendly policy. That same year, we approved guidelines to bolster the independence, diversity, and professional rigor of our independent directors while introducing peer evaluations and a Board Skills Matrix. These measures are intended to establish a more balanced and expertise-based Board and drive effective decision-making. Looking ahead, we remain committed to advancing the independence and expertise of our Board and building a governance structure that is transparent and accountable.

Climate Change Committee Byoung Won Ahn,
Head of Machinery & Digital Engineering

Hankook Tire & Technology is further ramping up our company-wide climate action capabilities to achieve our 2050 Net Zero goal. Building on the energy efficiency gains and carbon reduction infrastructure established to date, the Climate Change Committee is accelerating the adoption of renewable energy and driving the transition to a low-carbon production system. In 2026, we will strengthen energy-saving initiatives to ensure the steady delivery of our SBTi targets, while advancing our proactive climate action framework, positioning Hankook Tire & Technology as a leader in sustainable future mobility.

Corporate Philanthropy Committee Jae Woo Kim,
Head of Value Innovation

In 2025, we gave sharper definition and greater reach to our mobility-driven corporate philanthropy in alignment with Hankook & Company Group's ESG brand, 'Driving Forward, Together.' Building on our vehicle sharing program, which has long supported the safe and accessible mobility of welfare institutions and transportation-disadvantaged individuals, we introduced Vehicle Sharing 2.0 to foster personal economic independence, broadening the scope and value of our corporate philanthropy. Employee volunteering continued to grow across our domestic and overseas operations, logging 23,423 global volunteer hours. Through a diverse range of initiatives—mural painting, care services for underserved communities, environmental cleanup, and educational and cultural support—we deepened our ties with local communities and cultivated a wider culture of giving. Moving forward, Hankook Tire & Technology will continue to translate the value of mobility into lasting social value, driving far-reaching change that connects people, communities, and the future.

Product Environment Committee U Young Choi,
Head of R&D Planning

Hankook Tire & Technology has remained deeply committed to developing environmentally responsible tires that bring a safer and cleaner tomorrow for our customers. The Product Environment Committee places the highest priority on staying ahead of tightening environmental regulations to deliver products that consumers can choose with full confidence. We are specifically advancing breakthrough tread wear performance technology to minimize wear particle generation and reduce carbon emissions. By broadening the application of sustainable and recycled materials, we aim to meet smart consumer expectations that extend beyond performance to the broader environmental value. Looking ahead, we remain committed to going beyond regulatory compliance, developing eco-friendly designs and process technologies that safeguard our customers' everyday lives.

Ethics Committee Jae Kwon Choi,
Head of Management Diagnostics

Hankook Tire & Technology operates a structured compliance risk management system grounded in the ISO 37301 international standard. Through regular ethics training and our 'Compliance Letter' communications, we continuously raise ethics awareness among all employees, fostering an environment where ethical conduct becomes second nature in everyday work. We are equally committed to fostering a healthy organizational culture built on mutual respect and trust, and to embedding business ethics to ensure ethical values and responsible decision-making take deep root at all levels of the company. Looking ahead, we will continue to advance our ethical management practices so that every employee embraces business ethics as the foremost commitment and a cornerstone of sustainable management, earning the trust and respect of wide-ranging stakeholders.

Employee Committee Seung Hyung Lee,
Head of HR

At Hankook Tire & Technology, we believe that sustainable corporate growth ultimately begins with people. We continuously advance our HR systems and organizational culture to empower our employees to unlock their potential and grow with confidence. In 2025, we introduced a leave of absence policy for spouses of expatriate employees, ensuring that families can stay together when employees are assigned overseas. We also operated psychological counseling programs through certified counselors at each site, and strengthened our grievance handling as well as protection against retaliation and further harm, creating a safer and healthier workplace. Grounded in the conviction that employee growth and well-being are the company's greatest competitive strength, we will remain committed to building an organization where our people and the company flourish together.

Supplier Committee Hyun Min Park,
Head of Purchasing Division

Hankook Tire & Technology is committed to building a sustainable supply chain through collaboration with a diverse network of suppliers, guided by our global sourcing portfolio strategy. Despite the complex external headwinds of 2025—heightened volatility, persistent uncertainty, and tightening regulations—we maintained a stable supply chain through the strength of our supplier partnerships. With even greater uncertainty and accelerating market shifts anticipated in 2026, we will secure supply chain resilience through a structured risk management strategy that treats macroeconomic uncertainty as a structural given, ensuring that we continue to grow alongside our suppliers as our most valued partners.

SHE Committee Jong Ha Lee,
Head of SHE

Hankook Tire & Technology strictly upholds all applicable regulations to establish a safe and pleasant workplace and protect the environment, striving to preserve sustainable resources for future generations. Guided by our SHE policy, we systematically fulfill our health and safety obligations at all levels of the company while dedicating the necessary resources to ensure the safety of our employees and provide a comfortable working environment. Looking ahead, we will do our utmost to build and operate sustainable SHE systems, safeguarding the health and safety of our people and protecting the global environment.

ESG HIGHLIGHTS AND PERFORMANCE

Hankook Tire & Technology systematically pursues key initiatives and priorities across all ESG areas, building a lasting foundation for sustainable growth and delivering greater value to all our stakeholders.

2025 Key Achievements and 2026 Action Plans

	2025 Key Achievements	2026 Action Plans
ENVIRONMENTAL	· Detailed the Net Zero Roadmap · Improved energy efficiency · Strengthened the foundation for renewable energy response · Expanded sustainable materials · Developed eco-friendly tires · Advanced responses to LCA and TRWP[1]	· Scale up the Net-Zero implementation framework · Expand renewable energy procurement and installation · Specify plant-level reduction tasks · Advance sustainable material management · Systematize LCAs · Strengthen environmental regulatory compliance
SOCIAL	· Articulated the direction of mobility-driven corporate philanthropy · Established the foundation for Vehicle Sharing 2.0 · Advanced road safety branding · Strengthened health and safety management · Advanced human rights and diversity systems · Strengthened employee care	· Establish flagship corporate philanthropy programs · Expand community engagement initiatives · Establish a prevention-focused safety culture · Strengthen global human rights management · Advance the grievance mechanism · Strengthen diversity management
GOVERNANCE	· Implemented ethical management in alignment with ISO 37301 · Reviewed ways to enhance Board independence, expertise, and diversity	· Strengthen Board-centered ESG governance · Review the adoption of Board Skills Matrix · Advance ethical management operations

1) TRWP (Tire and Road Wear Particles): Non-exhaust particles generated by the friction between tires and the road surface

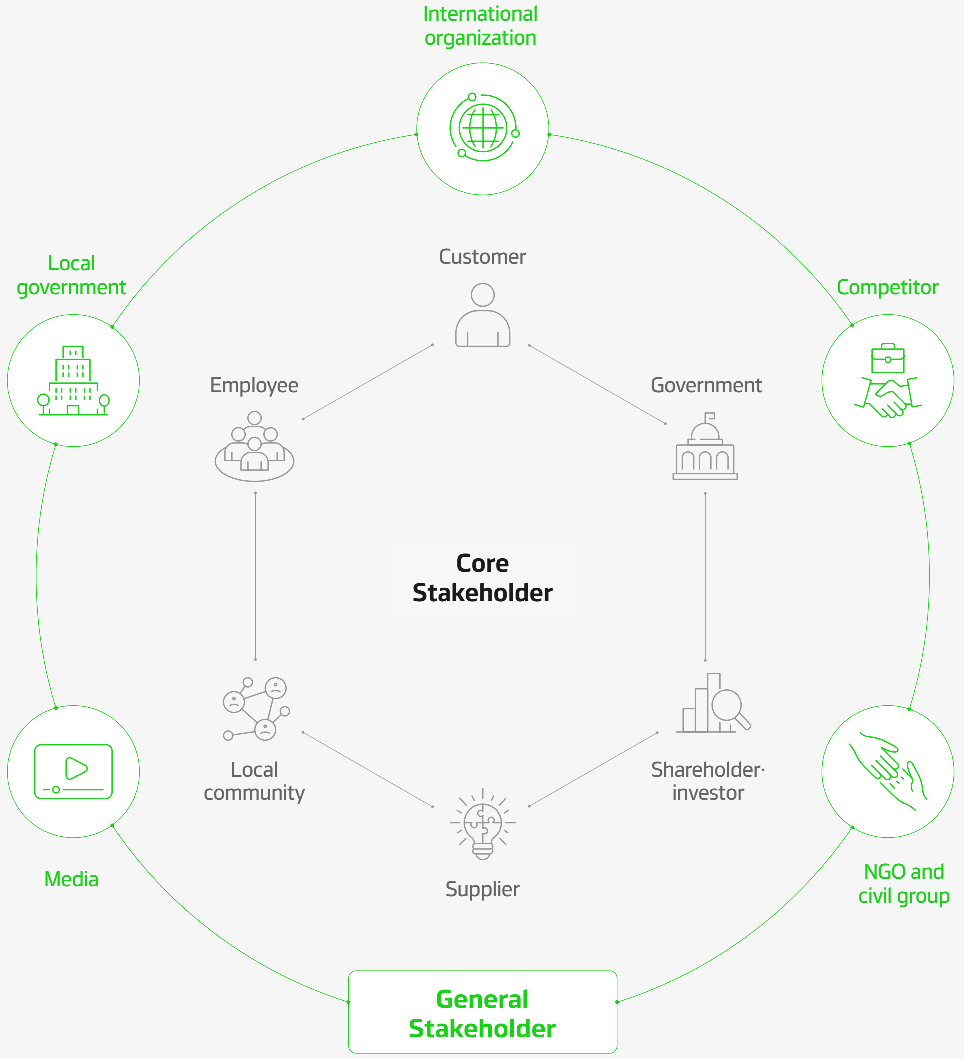
Key ESG Assessment Results

		2023	2024	2025
KCGS	KCGS	B	C	A
ecovadis	EcoVadis	79	78 (Gold)	74 (Silver)
CDP	CDP (Climate Change)	A-	A	A
KRESG	Korea Institute of ESG	A	A	A
SUSTINVEST	Sustinvest	C	C	C
SUSTAINALYTICS	Sustainalytics	16.6 (Low)	16.2 (Low)	14.2 (Low)
ISS	ISS	B-	B-	B-
MSCI	MSCI	BB	BBB	BBB
S&P Global	DJBIC	74	77	74

MATERIALITY

STAKEHOLDER COMMUNICATION

Hankook Tire & Technology categorizes our stakeholders based on the scale and scope of their impact on our business operations. Core stakeholders are those who maintain close and direct relationships with the company, while general stakeholders have indirect or potential interactions. We collect feedback from stakeholders through various communication channels, incorporate it into our business operations, and actively share our ESG achievements and plans. This report has been prepared based on key insights gained through this stakeholder engagement process.



Customer
(car makers, general customers, and dealers)

Communication channel
- Technology exchanges, exhibitions, fairs
- Sustainable production (climate action, human rights protection, supply chain management, etc.)
- Dealer discussion meetings
- Customer satisfaction centers

Communication topics (key issues of interest)
- Strengthen consumer health and safety in product use
- Improve product quality and ensure safety
- Reinforce product responsibility and conduct responsible marketing
- Swiftly handle customer complaints and remedy customer complaints
- Ensure sustainable production (human rights protection, climate change response, supply chain management, etc.)

Employee

Communication channel
- Discussion meetings
- Grievance handling mechanisms
- Global Engagement Surveys
- Intranet
- Internal idea suggestion system (Proactive Studio)
- Others: Proactive Concert, Junior Board

Communication topics (key issues of interest)
- Build win-win labor relations
- Recognize diversity and strengthen
- Nondiscrimination
- Bolster training that supports growth
- Promote a work-life balance
- Facilitate internal communication
- Improve workplace safety and working
- Conditions
- Provide fair compensation

Local Community

Communication channel
- Discussions with local community members
- Discussions with local public offices and NGOs
- Collection of complaints from communities

Communication topics (key issues of interest)
- Revitalize the local economy
- Resolve issues of food, clothing, and shelter for the underprivileged in local communities and support their education and self-reliance
- Undertake philanthropic initiatives for social investment
- Fulfill corporate environmental responsibility (minimize environmental impact)

Supplier

Communication channel
- Regular supplier assessments, quality and ESG training
- Partner's Day
- Purchasing portal (G.HePS)
- Supplier health and safety council

Communication topics (key issues of interest)
- Offer competitiveness enhancement programs for suppliers (awards for top-performing suppliers, training, technical support, etc.)
- Promote fair trade and win-win management
- Reinforce proactive communication and information sharing
- Advance sustainable supply chain management
- Discuss the management of serious accidents and safety management plans

Shareholder·Investor

Communication channel
- Board of Directors
- General meetings of shareholders
- IR events
- Overseas conferences

Communication topics (key issues of interest)
- Maximize business performance and shareholder value
- Ensure sound governance
- Advance transparent/ethical management and integrated risk management
- Manage organizational transparency and sustainability

Government

Communication channel
- Policy discussions
- Public hearings for policy-making
- Industry associations

Communication topics (key issues of interest)
- Participate in policy-making (offering feedback)
- Monitor external policy developments
- Engage in technology cooperation for R&D efforts led by the government
- Comply with laws and regulations in environment (GHG, energy, safety and health)

MATERIALITY ASSESSMENT

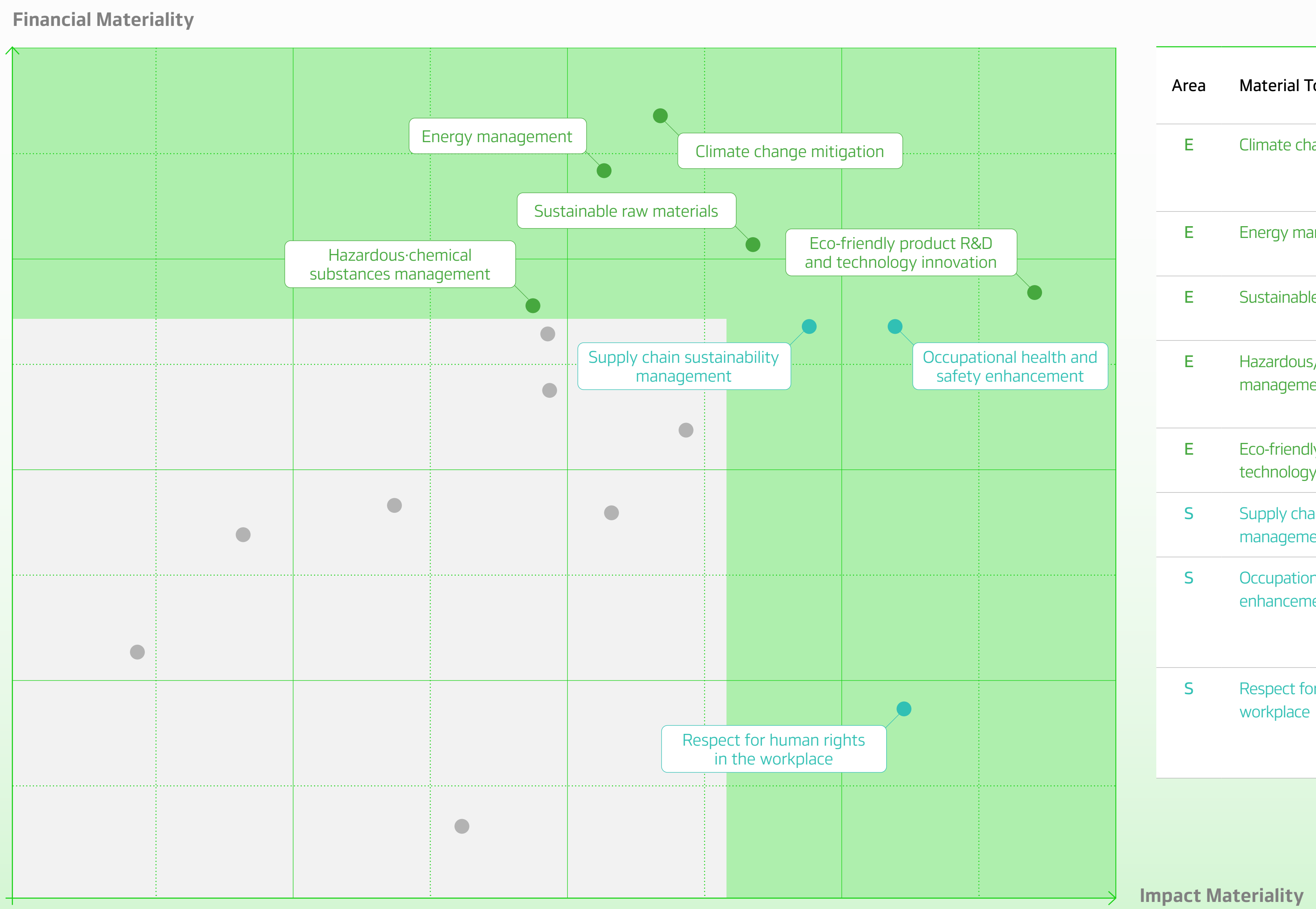
Hankook Tire & Technology conducts materiality assessment each year to identify key issues requiring targeted management from a sustainability perspective. The findings are reflected in our strategy and decision-making across ESG areas, and this report focuses on our management progress and achievements in this respect. To build an integrated group-level ESG management framework, we have advanced our materiality assessment process in alignment with the Double Materiality principles required under the CSRD—the EU's sustainability disclosure regulation—and its associated reporting standard, the ESRS. This led us to determine group-level material topics, drawing on the individual materiality assessment results of three companies—Hankook & Company, Hankook Tire & Technology, and Hanon Systems—with weighted averages applied based on each company's proportional share of revenue and total assets as reported in their respective 2025 separate financial statements. Through this process, we aimed to identify key group-level sustainability issues that comprehensively account for both the social and environmental impacts and the financial and business impacts of each company.

Materiality Assessment Process

Step	STEP 1.			STEP 2.	STEP 3.		STEP 4.
Process Step	Topic Identification			IRO Identification	IRO Assessment		Material Topic Determination
Key Activity	1-1 Understanding business context	1-2 Developing the long list	1-3 Developing the short list	2-1 Reviewing impacts, risks, and opportunities	3-1 Assessing impact materiality	3-2 Assessing financial materiality	4.1 Double materiality assessment results
	· **Review company activities and business relationships** - Conduct an overarching review of the company's operations and value chain, covering business models, activity characteristics, business relationships, and geographic presence	· **Develop a primary long list of topics** - Map and review group-wide prior year long list topics against the ESRS 1 topic list	· **Develop a short list from the long list** - Develop a short list from long list topics through the analysis of international standards and the internal/external environment ① Analyze international standards - Disclosure standards: ESRS, KSSB No.2, GRI, SASB, SDGs - Assessment standards: DJBIC, KCGS, EcoVadis, CDP, MSCI, Sustinvest ② Analyze the internal environment - Incorporate prior year's material topics - Incorporate internal management strategies: ESG strategy, Board ESG agenda items ③ Analyze the external environment - Review material issues of benchmarking companies and value chain participants : customers, suppliers, related industries, industry peers - Media analysis: Hankook Tire & Technology and tire industry-related media coverage	· **Identify impacts, risks, and opportunities (IRO) for short-listed topics** - Identify detailed IRO pathways through driver analysis	· **International standards assessment** - Stakeholder perspective: ESRS, GRI, SDGs, DJBIC, KCGS, EcoVadis, CDP · **Benchmarking assessment** - Material topics of competing industry peers, car makers, and key suppliers · **Corporate strategy alignment assessment** - Incorporate company vision, business strategy, and action plans · **Media exposure analysis** - Incorporate analysis results related to Hankook Tire & Technology and the tire industry · **Stakeholder assessment** - Incorporate results of internal/ external stakeholder assessments (surveys)	· **International standards assessment** - Investor perspective: ESRS, KSSB, SASB, MSCI, Sustinvest · **External policy assessment** - Review relevant external policies · **Industry regulatory assessment** - Incorporate industry regulations and legislations directly linked to corporate compliance and business risks · **Stakeholder assessment** - Financial perspective: Incorporate results of internal/external stakeholder and ESG expert assessments (surveys)	· **Determine final material topics through the compilation of impact materiality and financial materiality assessment results** - Calculate scores for all short-listed IROs - Set thresholds for impact and financial materiality and prioritize material topics

Materiality Assessment Results

In 2025, Hankook Tire & Technology conducted materiality assessment to determine key material topics through the comprehensive analysis of both impact materiality and financial materiality. The assessment findings were reported to the Board of Directors and the ESG Committee, and have been incorporated into the development of ESG strategy, the execution of key initiatives, and the direction of ESG reporting.



Area	Material Topic	Key Management Focus	Impact	Financial	GRI	ESRS
E	Climate change mitigation	GHG reduction, carbon neutrality, climate action	●●●	●●●	302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5	E1-1, E1-2, E1-3, E1-4, E1-5, E1-6
E	Energy management	Energy efficiency, renewable energy, operational optimization	●●○	●●●	302-1, 302-2, 302-3, 302-4, 302-5	E1-2, E1-3, E1-4, E1-5
E	Sustainable raw materials	Sustainable materials, resource circularity, supply chain alignment	●●●	●●○	301-1, 301-2, 308-1, 308-2	E5-1, E5-2, E5-3, E5-4
E	Hazardous/chemical substances management	Pollution prevention, chemicals management, regulatory compliance	●●○	●●○	305-7, 306-1, 306-2, 306-3, 306-4, 306-5, 2-27	E2-1, E2-2, E2-3, E2-4, E2-5
E	Eco-friendly product R&D and technology innovation	Eco-friendly products, technology innovation, future competitiveness	●●●	●●○	301-2, 302-5, 305-5, 417-1	E1-3, E1-4, E5-1, E5-2, E5-4, E5-5
S	Supply chain sustainability management	Supplier ESG, supply chain risk, regulatory compliance	●●●	●●○	2-6, 204-1, 308-1, 308-2, 414-1, 414-2	S2-1, S2-2, S2-3, S2-4, S2-5, G1-2
S	Occupational health and safety enhancement	Safety culture, accident prevention working condition enhancement	●●●	●●○	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10	S1-1, S1-4, S1-5, S1-14
S	Respect for human rights in the workplace	Working environment, human rights, diversity & inclusion	●●●	●○○	2-7, 2-8, 401-1, 401-2, 401-3, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, 412-1, 412-2	S1-1, S1-2, S1-3, S1-4, S1-5, S1-6, S1-9, S1-10, S1-12, S1-13, S1-15, S1-16, S1-17

ESG PERFORMANCE

Environmental

At Hankook Tire & Technology, we are deeply committed to environmental stewardship and climate action to safeguard humanity and the planet earth. Grounded in our unwavering conviction, cutting-edge technology, and accumulated expertise, we are driving greenhouse gas reduction, expanding the use of sustainable materials, and advancing resource circularity.
This is how we move forward— shaping a sustainable future for all.

ENVIRONMENTAL MANAGEMENT

Governance

Environmental Management Framework

Backed by strong top management commitment, Hankook Tire & Technology operates a company-wide environmental management framework to build an eco-friendly and safe workplace. Key environmental strategies, spanning climate action, resource circularity, and pollutant management, are systematically developed and implemented within our ESG governance, driving sustainable growth in the process. Key decisions on environmental management are made through the deliberation and oversight of the Board-level ESG Committee and the guidance of the ESG Strategy Committee composed of top management. The ESG Strategy Committee discusses annual environmental strategy directions and priority initiatives, while reviewing key performance outcomes and implementation progress. This governance structure guides our efforts to manage company-wide environmental risks and ensures our strategic responses remain aligned with evolving external conditions and regulatory developments. The ESG Team and our environmental function establish and execute annual implementation tasks to achieve mid- to long-term environmental goals, flexibly adapting our management framework to shifting regulatory requirements and stakeholder expectations. Our working-level committees, including the SHE Committee and the Climate Change Committee, serve to identify and systematically implement environmental initiatives.

Organizational Chart for Environmental Management

- ESG Committee (under the BOD)
- ESG Strategy Committee → Comprise senior management
- ESG Steering Committee → Comprise division heads and responsible executives
  - Climate Change Committee
  - SHE Committee
  - SHE Communication Meeting
  - SHE Advisory Work

Policy

Hankook Tire & Technology prioritizes the environment as the foremost value in sustainability management, and aligns our environmental management policy with international standards to continuously advance our management framework and minimize the environmental impact of our operations. Under our integrated Safety, Health, and Environment (SHE) management policy, we ensure that all employees and suppliers comply with applicable environmental laws and international conventions. We also identify and assess key environmental impacts and set goals accordingly to systematically manage risks. All eight of our domestic and overseas plants have achieved integrated certification under the ISO 14001 environmental management system standards, establishing a globally recognized environmental management framework. We continuously enhance our environmental performance through energy efficiency improvement, resource conservation, and pollutant management. Recognizing climate change as a critical business imperative, we are driving greenhouse gas reduction initiatives in support of the Paris Agreement to contribute to deliver on the 1.5°C target. We further mitigate environmental risks through the rigorous management of water resources, waste, and chemical substances, alongside increased environmental investment. Throughout it all, we maintain transparent communication with our stakeholders, continuously disclosing and improving our environmental performance.

Safety, Health and Environment Policy

① We shall remove risk factors through investment and operational improvement in safety, health, and the environment to reduce risks and protect the environment. We shall provide safe and healthy working conditions to prevent work-related injuries and medical problems. We shall promote the efficient use and recycling of resources. Through these activities, we shall minimize the impact of our business activities on safety, health, and the environment.

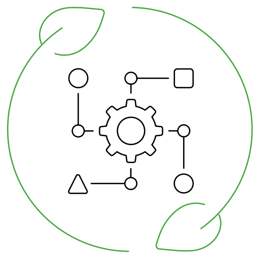
② To help our employees understand and continuously improve the safety, health, and environment management system, we shall provide education and competency improvement activities to our employees, and disclose our policies and management performance to stakeholders and communicate with them.

③ We shall establish and faithfully implement internal management standards that satisfy domestic and foreign laws and regulations as well as other requirements pertaining to safety, health, and the environment.

④ Our employees shall evaluate the impact on safety, health, and the environment, and set and implement safety, health, and environment goals to ensure continuous improvements.

International Certifications Awarded for Environmental Management

Environmental management system (ISO 14001)	100% (8 plants certified)



ENVIRONMENTAL MANAGEMENT

Strategy

Hankook Tire & Technology has established short- and mid- to long-term roadmaps toward carbon neutrality and environmental impact minimization, advancing data-driven, structured reduction initiatives. To tackle climate change, we are implementing a company-wide GHG reduction strategy with a goal of reaching net zero emissions by 2050, with plans to scale up renewable energy across our global operations by 2030. We are also actively exploring power purchase agreements (PPA) primarily at our overseas operations to accelerate our transition to renewable energy. On the supply chain front, the nature of tire manufacturing places particular emphasis on Scope 3 emissions from raw material extraction and processing. To address this, we systematically track the emission profiles of our suppliers and leverage these insights to expand the use of low-carbon materials and promote energy transition, driving carbon reduction across the supply chain. To advance resource circularity and minimize environmental impact, we are expanding waste recycling and transitioning to eco-friendly packaging materials (PE) while implementing initiatives to reduce end-of-life tire generation. To protect water resources, we are increasing our water reuse through sewage and wastewater reuse systems. For air pollutant mitigation, we are deploying new high-temperature combustion-based technologies to effectively control hydrocarbon emissions.

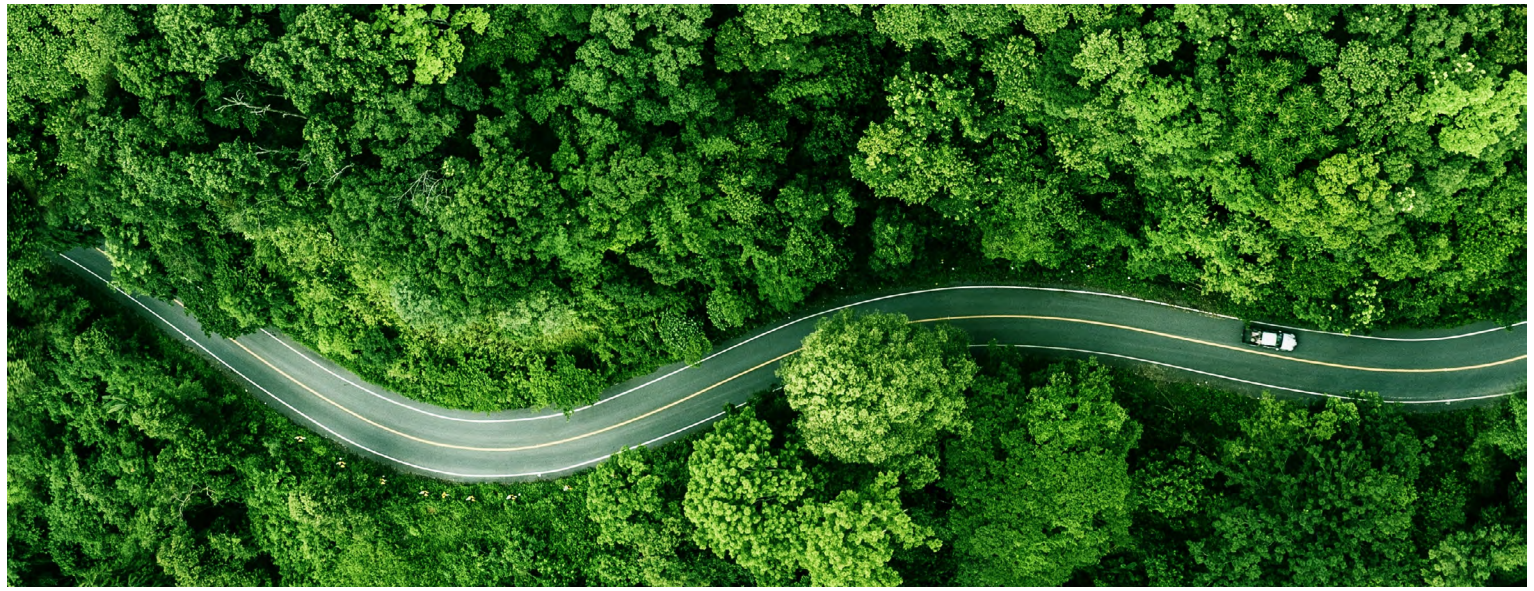
Training

Hankook Tire & Technology provides a structured environmental training program to raise environmental awareness among employees and stakeholders, and to strengthen on-the-ground execution capabilities. Through a diverse range of training initiatives, we aim to strengthen company-wide environmental management capabilities and embed sustainable management practices across the organization. To help employees build stronger environmental competencies, we conduct regular specialist training for site managers and operational staff, covering environmental laws and regulations, ISO 14001 environmental management system requirements, environmental impact management, and the management of pollutants and chemical substances. Company-wide water conservation training is also provided on an ongoing basis, empowering employees to practice resource stewardship in their day-to-day routine. In addition, video-based ESG training is offered to deepen understanding of environmental management and build the practical capabilities needed to incorporate environmental considerations into each department's operations. For stakeholders including suppliers, we deliver training and communications that reflect the ESG and environmental requirements of our key customers. This in turn allows us to raise the standard of environmental management across the supply chain and to proactively address potential environmental risks. To foster an environmental culture within the organization, we conduct regular meetings and campaigns to further reinforce training and awareness-raising, championing resource conservation and green practices.

Investment

Hankook Tire & Technology continues to scale environmental investment in a proactive and structured way to build an eco-friendly production system and maximize energy efficiency. This places us on track to simultaneously advancing greenhouse gas reduction and environmental risk mitigation, solidifying the foundation for sustainable business. As part of our environmental investment approach, we have introduced internal carbon pricing to enhance the rigor of our investment decision-making. By incorporating carbon costs into the economic assessment of energy saving and GHG reduction projects, internal carbon pricing enables strategic decision-making on low-carbon investments. We continue to make facility investments to improve energy efficiency and expand renewable energy capacity.

In 2025, an investment of approximately KRW 9.8 billion delivered a reduction of 31,138 tCO_2eq in GHG emissions. Key investment areas included the installation of photovoltaic (PV) power generators, the replacement of aging equipment including compressors and pumps with high-efficiency alternatives such as synchronous motors, and the construction of steam waste heat recovery systems. Through these multi-faceted investments, we are achieving meaningful gains in energy use efficiency and GHG emissions mitigation.



CLIMATE ACTION

Targets

Recycling intensity target	2030	30.0 kg/ton of finished products	30% reduction vs. 2018 baseline
Water withdrawal intensity target	2030	38 m³/ton of finished products	30% reduction vs. 2018 baseline
GHG emissions (Scope 1, 2)	2030	580,000 tCO_2eq	46.2% reduction vs. 2019 baseline

GHG Emissions Reduction

Optimizing Process Energy Efficiency

Hankook Tire & Technology engages in ongoing improvement initiatives to enhance energy efficiency across production processes and utility facilities, with a focus on key high energy-consuming equipment. To minimize energy loss that may occur in process operations while maximizing equipment operating efficiency, each operational site pursues efficiency gains in a way that accounts for the unique characteristics of equipment and on-site operating conditions. These efforts go beyond simple energy reduction—they are designed to enhance the stability of production processes and the reliability of equipment operations.

In 2025, our energy efficiency improvement efforts centered around key utility systems including compressed air, pumps, HVAC, and steam. To prevent efficiency losses caused by equipment aging, we carried out ongoing maintenance and repairs, while simultaneously upgrading to high-efficiency equipment and optimizing operating conditions for systems with high energy-saving potential. Our improvement initiatives also aimed to reduce inefficient operational elements in energy consumption while ensuring greater efficiency in supply system operations, raising overall energy use efficiency across our processes.

In particular, we switched from aging air compressors and pumps to high-efficiency alternatives and expanded the deployment of high-efficiency motors, proactively reducing electricity consumption and improving equipment efficiency. At our China plants, we have been installing electronically commutated (EC) fans in our HVAC systems to enhance fan efficiency, reducing power consumption and enabling more effective operation. These initiatives contribute not only to energy savings in our HVAC systems, but also to the overall operational efficiency of key utility equipment across our plants.

Energy Efficiency Optimization

Building an Energy Management System

Hankook Tire & Technology operates a global energy management system to drive GHG emissions reductions and energy efficiency improvements. Each site establishes energy reduction targets and action plans, while our global energy management function regularly assesses site-level performance against targets as well as progress of key energy-saving initiatives. This ensures that these initiatives are comprehensively evaluated against priority, investment needs, and expected benefits, enabling systematic execution.

In 2025, we further strengthened our performance monitoring, root cause analysis, and corrective action planning, building on our established energy management framework. At the start of the year, energy reduction targets and operational plans are set for each global plant; throughout the year, monthly performance and key initiatives are continuously tracked; and senior management reporting and year-end management reviews are conducted to assess implementation outcomes and define improvement directions. This approach ensures that our energy-saving efforts go beyond one-off improvements, and are institutionalized as a structured management framework aligning target-setting, progress tracking, and performance evaluation.

Through regional energy exchange sessions and cross-site collaboration, we shared best energy-saving practices and cases of equipment improvement, cascading proven initiatives across our global plant network. In this process, each plant identified reduction opportunities suited to its own operating conditions and strengthened their execution capabilities, while simultaneously bolstering energy management capabilities across the board. Underpinned by this systematic management and continuous improvement, we achieved a 2.7% year-on-year improvement in our internal energy efficiency index in 2025. We will continue to accelerate the sharing of best practices across sites, further reinforcing our execution capabilities in pursuit of greater energy efficiency and GHG emissions reductions.

Energy Leak Management

Hankook Tire & Technology continues with leak management efforts to minimize potential energy losses across our production processes and utility facilities. As leaks in key energy sources such as compressed air and steam can lead to unnecessary energy consumption and inefficient equipment operation, early detection and prompt corrective action are critical management priorities for improving energy efficiency. Accordingly, each site conducts ongoing inspections and improvement activities focused on leak-prone sections within key equipment and piping systems.

In 2025, we expanded the use of our 'leak management app' to enhance on-site execution and the efficiency of our corrective action workflow. This enables field personnel to instantly log detected leaks and track the progress and completion of corrective actions in a more structured manner. By continuously accumulating leak occurrence histories and corrective outcomes, this app has enabled us to identify recurring vulnerabilities, feeding these insights into more efficient maintenance, repair, and prevention.

CLIMATE ACTION

Energy Efficiency Optimization

Energy Transition

Hankook Tire & Technology is scaling up renewable energy adoption alongside energy efficiency improvements as part of our commitment to climate action and net zero emissions. Energy transition is a cornerstone of our efforts to reduce GHG emissions from site operations and build a more sustainable energy consumption framework. In light of this, we are assessing the feasibility of renewable energy adoption and developing phased transition plans, taking into account site-level energy supply conditions and regional regulatory environments. In 2025, our Hungary Plant signed a power purchase agreement (PPA) for renewable electricity, laying the basis for the reliable procurement of renewable power. At our Jiaxing and Chongqing Plants in China, PV power generation is currently operational, and our Geumsan Plant plans to install PV for its new warehouse, progressively broadening our renewable energy portfolio through the use of PV energy. This strengthens our renewable energy base by combining off-site procurement with on-site generation, while contributing to reducing GHG emissions associated with operational electricity consumption. These initiatives represent concrete steps in advancing energy transition across our global production network, and are laying a meaningful foundation for the further expansion of renewable energy going forward.

Renewable Energy Expansion

Hankook Tire & Technology is advancing an energy transition strategy centered on renewables to address climate change and meet our 2050 Net Zero goal. On the procurement side, we are focused on securing a reliable renewable energy supply by installing PV power systems on idle land within our sites and entering into long-term power purchase agreements (PPA). Notably, our Hungary Plant has signed a 10-year, 430 GWh-capacity PPA, securing approximately 43 GWh of PV power annually from 2026, which is expected to yield nearly 10,107 tCO_2 in avoided GHG emissions per year. This milestone demonstrates how the renewable energy transition delivers tangible emissions reductions, and lays the groundwork for cascading this approach across our global operations. In parallel, we are building a diversified renewable energy portfolio that combines PPAs, Renewable Energy Certificate (REC) purchases, and on-site PV power installations, tailored to the energy market conditions and regulatory requirements of each global production site. Through these efforts, we will continue to execute energy transition strategies optimized for each regional context, and systematically expand the use of renewable energy across our operations.

NET ZERO

Net-Zero by 2050

Approx.

10,107 tCO_2

Projected GHG emissions reduction at Hungary Plant (2026-2036)

Internal Carbon Pricing

Hankook Tire & Technology continues to advance our internal carbon pricing mechanism to incentivize energy efficiency improvements and low-carbon investments. We have extended the scope of this mechanism since 2025 to cover all global operations including Korea, and strengthened the effectiveness of investment decision-making by incorporating forward-looking carbon price projections rather than historical averages in setting internal carbon prices. Internal carbon prices are currently set at EUR 100 per ton for our Hungary Plant, and KRW 50,000 per ton for our Korea and other regional sites. This mechanism serves as a core management tool that supports strategic decision-making on low-carbon investments by embedding carbon costs into the economic evaluation of energy-saving and GHG reduction projects. Going forward, we plan to broaden its application beyond energy-saving investments to encompass overall capital investments in energy-consuming equipment and processes, further strengthening our company-wide carbon cost management framework.

Supporting Suppliers' Carbon Neutrality Efforts

Hankook Tire & Technology recognizes that the largest share of our GHG emissions stems from raw material acquisition. This is attributable to the significant quantities of GHG emissions that arise during the extraction, processing, and transportation of key raw materials used in tire manufacturing, underscoring the importance of the low-carbon transition of our suppliers as a critical lever for reducing Scope 3 emissions. As part of our efforts to strengthen carbon emissions management across our supply chain, we regularly conduct the Carbon Emissions Survey of our suppliers. Through these surveys, we systematically collect and manage data on suppliers' Scope 1 and 2 emissions, the carbon footprint of supplied products, reduction targets and action plans, and data verification status. The collected data informs our quantitative analyses including Life Cycle Assessments (LCA), enabling us to continuously monitor carbon emission levels across our supply chain.

To support our suppliers in their transition to carbon neutrality, we complement these efforts with training and technical assistance programs. We regularly provide suppliers with training covering carbon emissions calculation methodologies, global regulatory trends, and customer requirements, while expanding technical support to help them pursue tangible reduction activities including the adoption of low-carbon raw materials, energy efficiency improvements, and transition to renewable energy. To enhance the reliability and management standards of emissions data, we are refining the survey questionnaire and the rigor of our data verification system, while evaluating key suppliers for their emissions management performance. The assessment outcomes will be incorporated into future procurement decisions and our supplier management framework, systematically bolstering carbon management capabilities across the entire supply chain.

POLLUTANT MANAGEMENT

Air Pollution Management

In today's society, building a sustainable production system grounded in mutually beneficial partnerships with local communities has emerged as a critical imperative. Against this backdrop, Hankook Tire & Technology is embracing novel technologies to effectively reduce air pollutants and minimize their environmental impact on surrounding communities while establishing collaborative environmental improvement bodies with local communities, advancing a sustainable production system in so doing.

A flagship example of our deployment of emerging technologies is the CFRTO (Concentrator Flameless Regenerative Thermal Oxidizer) system installed for air pollutant treatment at our Hungary Plant, which is currently undergoing expansion. With the conventional CRCO (Concentrator Regenerative Catalytic Oxidizer) process, pollutants are first concentrated in a concentrator, then desorbed and treated through catalytic oxidation at approximately 400°C to remove odors and pollutants. As a more efficient alternative, the CFRTO system treats concentrated pollutants through high-temperature flameless thermal oxidation, ensuring consistent treatment efficiency. Its flameless combustion design also brings added advantage of reducing fuel consumption and carbon emissions compared to the conventional CRCO system. Having confirmed its effectiveness, we plan to roll out the CFRTO system company-wide, starting with the Hungary Plant.

Alongside these technological enhancements, we are also pursuing community-linked environmental improvement initiatives. At our domestic sites, we joined the 'voluntary agreement for particulate matter reduction' led by Daejeon-si and the North Daejeon Odor Reduction Council to reduce particulate matter and nitrogen oxide (NOx) emissions and achieve odor mitigation, while disclosing relevant information transparently through the environmental information disclosure system. At our China sites, we host monthly Environmental Open Days to actively gather feedback from local residents and proactively address environmental concerns raised by the community.

Water Pollution Management

Hankook Tire & Technology operates on-site wastewater treatment facilities and conducts rigorous monitoring to minimize the risk of water pollution arising from site operations. Leveraging these in-house facilities, we minimize water pollutant levels before final release, while continuously managing effluent quality through regular pollutant measurements and real-time monitoring via the TMS (Tele-Monitoring System). Furthermore, we apply internal management standards designed to limit the environmental impact of wastewater discharge from our sites, leading the charge on reducing water pollutant emissions.

Soil Contamination Management

Hankook Tire & Technology operates a rigorous soil contamination prevention system guided by the principles of proactive prevention and immediate response, with the aim of minimizing the environmental impact of our operations on surrounding communities. On the infrastructure side, we have built specialized facilities to prevent leaks of oils and chemicals at the source. Our multi-layered defense system, comprising oil-water separators, stormwater shut-off equipment, and internal trenches, serves to keep potential contaminants from escaping beyond our site boundaries. This infrastructure is complemented by a systematic management process. In addition to regular soil contamination assessments, we conduct ongoing preventive inspections of stormwater manholes and hazardous material storage areas. Periodic emergency drills based on real-life scenarios ensure that all employees are equipped with the hands-on capabilities needed to take immediate action when required. This management framework forms the backbone of our efforts to prevent contaminants from reaching the external environment, safeguarding the soil and groundwater ecosystem of nearby communities.

Hazardous Chemical Substances Management

Hankook Tire & Technology operates its proprietary Global Chemical Information System (G.CIS) to stay ahead of evolving chemical regulations and maintain a safe working environment. Through this system, we continuously monitor global regulatory developments to identify substances of concern in advance, and develop substitution plans for regulated substances, strengthening our company-wide response capabilities. In particular, we have mandated a raw material approval process for all incoming materials, requiring pre-screening of hazardous properties and regulatory compliance. This process systematically blocks the purchase of materials that have not completed the required review, eliminating the risk of unapproved substances entering our operations. By maintaining a full traceability record of all chemicals from receipt through to use, we ensure rigorous compliance with complex regulatory requirements under the Chemical Substances Registration and Evaluation Act, the Chemical Substances Control Act, and the Occupational Safety and Health Act.

In 2025, we achieved a significant milestone by overhauling our Material Safety Data Sheet (MSDS) revision process. By establishing a system to verify MSDS updates with manufacturers and suppliers on an annual basis, we are now better positioned to manage chemicals in line with the enhanced Occupational Safety and Health Act and maintain up-to-date data at all times. Furthermore, we conduct regular safety training for all employees handling hazardous chemicals, covering substance-specific properties, handling precautions, and emergency response procedures. We also provide periodic special health examinations to protect employee health and embed a culture of safety throughout the organization.

RESOURCE USE AND CIRCULAR ECONOMY

Target

Backed by pioneering technology, Hankook Tire & Technology is embedding the value of resource circularity into our products. From sourcing sustainable raw materials and designing products for lower carbon impact to introducing recycling technologies for end-of-life materials, we deliver tangible solutions that drive sustainable tire consumption. In 2025, we achieved a sustainable material content rate of 30.7%, and will continue to channel our collective capabilities toward reaching the 2030 target of 40%, leading the way to build a sustainable mobility ecosystem.

Product Life Cycle Assessment

Leading Global Standards and Advancing Data-driven LCA

Hankook Tire & Technology is advancing our Life Cycle Assessment (LCA) system in line with the latest global standards to quantify environmental impacts across the entire product lifecycle. As a member of the WBCSD Tire Industry Project (TIP), a coalition of leading tire manufacturers worldwide, we actively engage in shaping the TIP Product Category Rules (PCR), a carbon footprint calculation methodology tailored specifically to the tire industry, helping drive the development of industry-wide standards. Building on this internationally recognized methodology, we completed LCAs for our major product portfolios in 2025. The analysis found that, when excluding the use phase, approximately 65% of environmental impact across the tire lifecycle is concentrated in the raw material acquisition phase. These findings guide our efforts to build a robust environmental database grounded in actual measured data, rather than theoretical estimates alone, providing an objective evidence base for product improvement.

Driving Substantive Carbon Impact Across the Supply Chain and Realigning Global Partnerships

Hankook Tire & Technology is comprehensively overhauling our supplier management framework to achieve substantive carbon reduction across the supply chain. As a first step, we are revisiting the questionnaire of our annual Supplier Carbon Emissions Survey to make it more effective, refining the process to surface tangible, actionable reduction opportunities. This goes beyond a simple as-is assessment: it reflects our commitment to driving meaningful carbon reduction efforts among our suppliers.

In particular, we are undertaking a dedicated supply chain carbon emissions LCA project with carbon black and silica suppliers, given their significant contribution to our carbon footprint. By directly capturing suppliers' primary emissions data at our initiative, we are enhancing data reliability and translating these insights into executing our carbon neutral roadmap early from the raw material stage.

In tandem, Hankook Tire & Technology is realigning our global motorsports partnerships to prove our sustainable tire technologies under the harshest conditions. Our official tire supply agreement with Formula E concluded with Season 12 (2025/26), and in 2025, we launched a new three-year partnership as the exclusive tire supplier for the FIA World Rally Championship (WRC). We are proactively conducting LCAs on the tires supplied for the WRC, putting carbon neutrality into practice even in the most extreme environments and showcasing our sustainable technological capabilities on the global stage.

Sustainable Raw Materials

Developing Sustainable Raw Materials through Open Innovation

Hankook Tire & Technology partners with global raw material suppliers through open innovation, advancing the circular economy through the development of sustainable materials. As part of our commitment to open innovation, we signed a Memorandum of Understanding (MOU) with Solvay Silica in January 2025 on the fabrication of 'circular silica.' Under this MOU, the two companies aim to go beyond conventional bio sourced silica to extracting silica from industrial waste and repurposing it into sustainable circular silica applicable to products, with the goal of mass-production by 2030.

In November 2025, we inked another MOU with ROTOBOOST, a pioneer specializing in the thermocatalytic decomposition of methane gas, for the joint development of turquoise hydrogen-based carbon materials. Under this agreement, both companies are collaborating closely to develop carbon black—a byproduct generated during the extraction of turquoise hydrogen from methane gas—into a material usable in our products, with the goal of reducing greenhouse gas emissions generated from our products. Through these strategic partnerships with global companies, we seek to reduce our dependence on petroleum-based resources, preventing the depletion of natural resources and mitigating environmental impact at the tire design and raw material acquisition phases. We will also continue to expand our supply chain for sustainable raw materials and foster the circular economy, contributing to the sustainable development of the tire industry.

Leading Global Initiatives for End-of-Life Tire Circularity

Hankook Tire & Technology, as a key member of the Tire Industry Project (TIP)—a global joint initiative of the tire industry—is at the forefront of preventing ecosystem pollution caused by end-of-life tires (ELT) and scaling resource circularity. In 2025, we contributed to the publication of the End-of-Life Tire (ELT) Management Toolkit 2.0, drawing on years of international collaboration to serve stakeholders worldwide. This latest edition is distinguished by a significantly strengthened focus on environmental protection. Looking ahead, we will continue supporting the circulation of ELTs as sustainable secondary raw materials, rather than mere fossil fuel substitutes or waste, leading the tire industry's fulfillment of its environmental responsibilities and contribution to the UN Sustainable Development Goals (SDGs 8.4, 12.2, and 12.5).

Key Contents of the 'End-of-Life Tire (ELT) Management Toolkit 2.0'

Establishing Environmentally Sound Management (ESM) principles	Present international guidelines to prevent serious environmental and health risks, including long-term soil contamination, fire hazards, and the release of toxic substances, arising from illegal dumping or landfilling
Conserving resources and energy through material recovery	Emphasize a circular economy framework centered on 'material recovery', recovering valuable metals and materials such as rubber, steel and fiber from end-of-life tires to directly displace virgin raw material extraction, while reducing CO_2 emissions and energy consumption

RESOURCE USE AND CIRCULAR ECONOMY

Eco-friendly Product Design

Developing Tires with Sustainable Raw Materials
Hankook Tire & Technology has remained committed to using sustainable raw materials and securing the technologies needed to apply them in tire production, minimizing our environmental footprint. Following the 2024 launch of the iON GT—an EV tire with 77% ISCC PLUS[1)]-certified sustainable material content, the highest on the market—we developed a tire with 81% sustainable material content in 2025, while also developing recycled steel in partnership with a diverse range of suppliers. These achievements were made possible by our steady efforts to expand the use of sustainable raw materials. As the first company in the tire industry to obtain ISCC PLUS certification—a leading global certification scheme for sustainable materials—we laid the groundwork for actively incorporating sustainable raw materials into our products. Following the certification of our Geumsan Plant in 2021 and Hungary Plant in 2023, our Daejeon Plant achieved ISCC PLUS certification in 2025, rolling out our production system built around sustainable materials across our major global production sites.

1) ISCC PLUS (International Sustainability & Carbon Certification PLUS): An international certification system that verifies the use of sustainable raw materials throughout the entire product manufacturing process.

With ISCC PLUS certification at the Daejeon Plant, we successfully mass-produced the high-performance racing tires 'Ventus' and 'Dynapro,' containing up to 31% sustainable raw materials. Starting from the 2025 season, these tires have been supplied as the exclusive official racing tire for the FIA World Rally Championship (WRC)—one of the world's premier motorsports events sponsored by Hankook Tire & Technology—demonstrating our global top-tier motorsports technology yet again. This milestone establishes a sustainable product manufacturing system spanning from original equipment and replacement tires to motorsports.

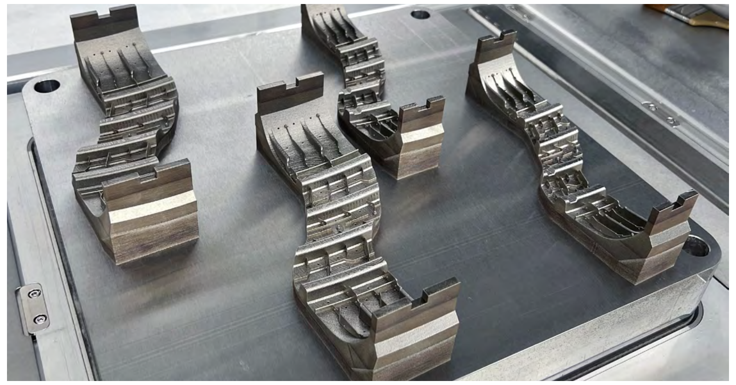
Hankook Tire & Technology exceeded our mid- to long-term ESG R&D target of securing the technology to achieve 55% sustainable raw material content by 2025, proving that our sustainability commitments translate into measurable results. Looking ahead, we will continue our investments and efforts toward the goal of tires made from 100% sustainable raw materials by 2045, contributing to the global initiative to reduce carbon emissions.

Applying Metal 3D Printing Technology
3D printing enables end-to-end manufacturing from raw materials to finished products in a single streamlined process. This efficient technology produces desired geometries in one step with no need for secondary machining, reducing waste generation and improving energy efficiency. In 2015, Hankook Tire & Technology became the first Korean tire maker to introduce industrial metal 3D printers, establishing a mass-production system for 3D-printed sipes—tire mold parts used to create ultra-thin, complex patterns on the tread of tires. We have since developed 3D printing technology to repair worn production equipment parts, continuing our research into the innovation, potential, and environmental benefits of additive manufacturing. Through a government-funded national R&D project, we are also developing technology to remelt and refine discarded 3D-printed metal products into high-purity 3D printing feedstock.

Optimizing Tire Weight
In step with the paradigm shift underway across the mobility industry in response to climate change, Hankook Tire & Technology is focused on developing tire lightweighting technologies that maximize resource efficiency from the earliest stages of product design, alongside the adoption of sustainable raw materials. This goes beyond simply reducing material inputs: it represents one of our core environmental management strategies aimed at fundamentally lowering the environmental burden across the entire product lifecycle. In 2026, we plan to progressively roll out these technologies across all our manufacturing plants, including new cords for key semi-finished components such as the carcass and the belt which maintains tread rigidity as well as optimized tire structural design. In line with our Technology Roadmap (TRM), we will also continue R&D on new lightweight cords and materials.

Tire with 77% sustainable raw material content

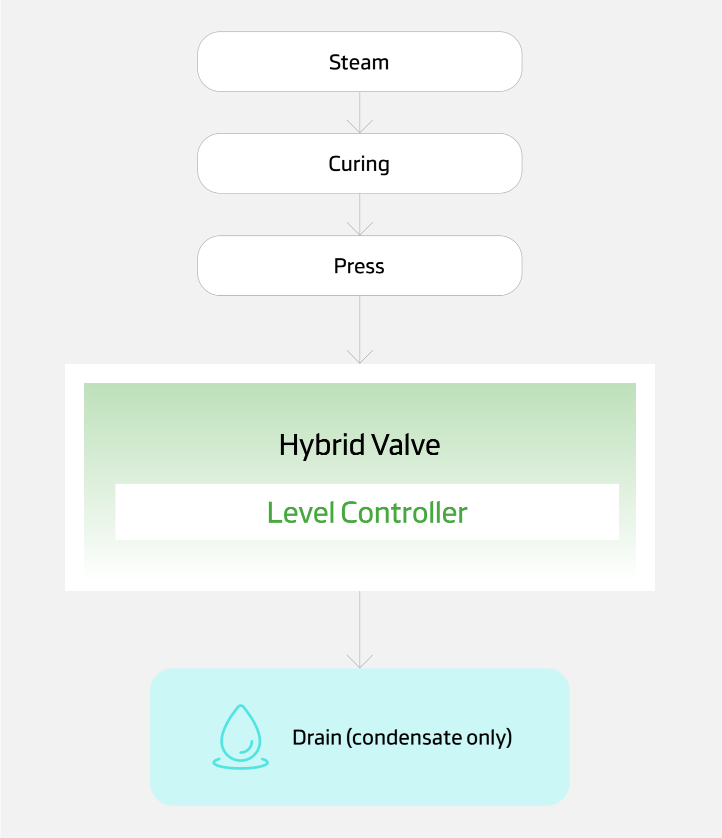

Tire with 81% sustainable raw material content


Temporary molds used to research metal 3D printing

RESOURCE USE AND CIRCULAR ECONOMY

Water Resources Management

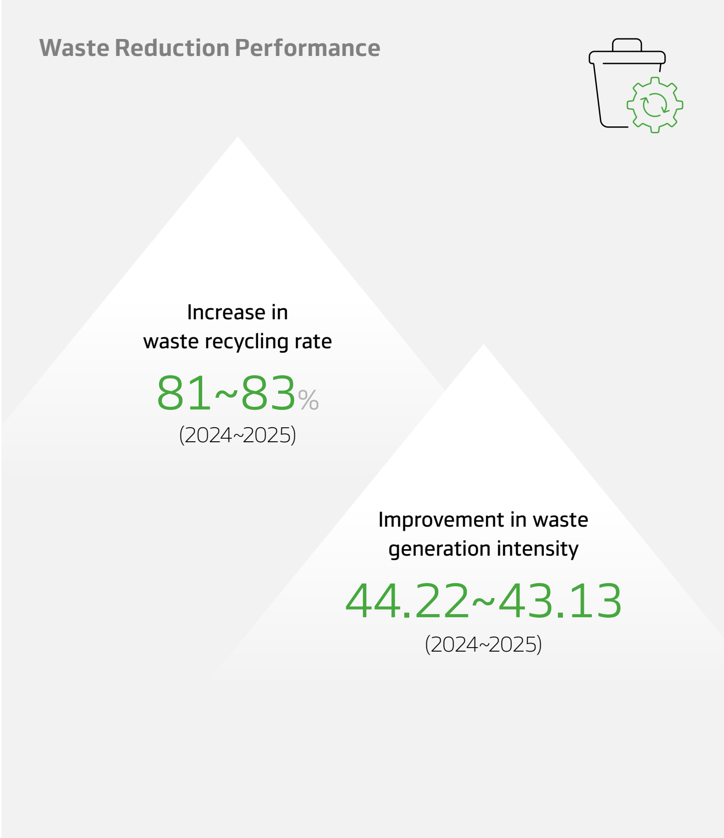
Hankook Tire & Technology views water resources as a finite resource to be preserved for future generations and as circular capital to be continuously reused. Guided by this principle, we have moved away from a linear approach of simply consuming and discharging water during production, toward a multi-cycle circulation system that generates value from water repeatedly throughout our manufacturing processes. Prime examples include repurposing water from production activities as cleaning water for scrubbers—our air pollution control equipment—and treating on-site wastewater in our own gray water recycling facilities for reuse in toilet flushing. As part of our efforts to achieve fundamental reductions through new technology, we introduced hybrid valves in the curing process. While conventional curing presses discharge steam and condensate together and result in water losses, the hybrid valves precisely separate and discharge condensate alone, cutting off a major source of unnecessary water consumption. As a result of these multi-pronged reuse efforts, we achieved a meaningful improvement in our water reuse rate from 28% in 2024 to 32% in 2025.



Waste Management

Resource circularity refers to minimizing waste generation, reusing and recycling waste that is generated, and treating any unavoidable residual waste in a manner that mitigates its environmental impact. Hankook Tire & Technology recognizes waste not merely as a byproduct of production activities, but as a critical pillar of resource circularity. With this recognition in mind, we have defined the waste recycling intensity (kg of waste generated per ton of tire production) as a key metric to systematically manage waste generated during our production processes, and continue to pursue waste reduction with an annual target of a 3% year-over-year reduction.

As part of these waste reduction efforts, we have applied technology to separate rubber and steel from steel cord scrap, a major source of semi-finished product waste, establishing a closed-loop cycle in which rubber is reintroduced into the production process while steel is recycled through outsourced partners. We also signed an MOU with the Korea Maritime Environment Management Corporation to repurpose end-of-life tires as ship fenders, significantly scaling up this initiative from 4.5 tons in 2024 to 21.8 tons in 2025. In parallel, our recycling campaigns have fostered a culture of voluntary waste sorting among employees, improving our waste generation intensity from 44.22 in 2024 to 43.13 in 2025.



re:move
Upcycling Project

re:move — Redefining resources, a move toward a sustainable future

're:move', Hankook Tire & Technology's ESG project, transforms waste into new value— moving beyond disposal to close the resource loop. We redefine byproducts from the tire production process not as discarded waste, but as new resources for the future. This latest journey began with the 'bladder'—an essential consumable used in the tire curing process. Despite being made of high-performance Isobutylene-Isoprene Rubber (IIR), a material prized for its exceptional airtightness and heat resistance, the bladder had long been an industrial byproduct that was simply incinerated once it reached the end of its service life. Taking note of this, we pursued an upcycling approach that preserves the material's inherent properties while adding new value. Our Bladder Upcycling Series made its debut at the Seoul Design Festival in November 2025, and was recognized for its material innovation and design aesthetics with 'Winner' honors at both the '2026 Green Good Design Awards' and the '2026 A' Design Award,' demonstrating its international competitiveness.

Upcycle Furniture

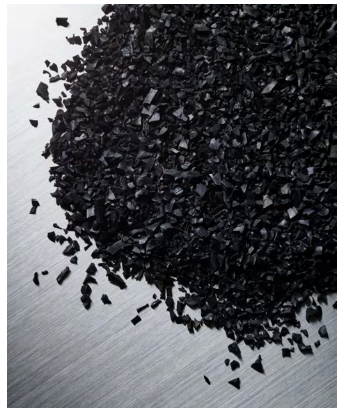
Crafted using eco-friendly pellets engineered from a blend of discarded bladder powder and PLA (Polylactic Acid), these 3D-printed benches and tables represent Hankook Tire & Technology's distinctive next-generation upcycled furniture—one that brings together eco-friendliness, functionality, and sculptural beauty. Organic forms inspired by rock formations, the layered texture unique to 3D printing, and the juxtaposition of contrasting materials come together to lend a refined and original sensibility to any space.

Upcycle Bricks

The Kinetic Wall composed of upcycled bricks made from recycled tire molds moves like a wave, welcoming visitors. These upcycle bricks are sculptural objects that carry the traces of tire production, evoking a distinctly Korean aesthetic reminiscent of Giwa (traditional Korean roof tiles). Their rough surface serves as both a record of the manufacturing process and a mark of time, conveying the material's inherent formal beauty alongside a philosophy of sustainability.

Upcycle Goods

These upcycled wearable objects reimagine discarded bladders as a leather substitute, thinly sliced into a fabric-like material. Through refined post-processing techniques, including die-cutting, stitching, silver foiling, and adhesive bonding, the material has been extended into everyday, usable forms such as keyrings and bags. The result is a practical value that lingers in the hand: a concept of circularity that stays with one, carried into the smallest details of daily life.



Upcycling Project

BIODIVERSITY MANAGEMENT

Management Framework

Hankook Tire & Technology views biodiversity as a core element of natural capital, and our company-wide environmental management framework encompasses responsibility for conserving biodiversity alongside reducing environmental impact. Biodiversity underpins corporate production activities through a wide range of ecosystem services including water provisioning, air purification, and climate regulation. As such, we recognize that the degradation of these services could seriously affect the continuity of our business operations. To systematically identify, assess, and manage biodiversity-related risks, we have established a biodiversity management process aligned with the LEAP (Locate, Evaluate, Assess, Prepare) approach of the TNFD (Taskforce on Nature-related Financial Disclosures) framework. This process begins with identifying the ecological sensitivity of our operational sites based on their location, followed by assessing dependencies and impacts on natural capital, analyzing associated risks and opportunities, and developing response strategies. Together, these steps reinforce our decision-making framework to minimize environmental risks.

To capture the relationship between the tire manufacturing sector and natural capital, we employed the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool. The analysis found that tire manufacturing is highly dependent on water-based ecosystem services, including water quality, flow regulation, and flood control, while also identifying the sector's potential impact on natural capital through GHG emissions, air pollutant emissions, and water and soil contamination. In particular, water-related services emerged as a key risk factor, given their close linkage to our production processes: any degradation could lead to production disruptions and increased costs. These findings alerted us to the need to enhance preventive water resource monitoring and develop management plans for high-risk areas to minimize risks. We will also establish a production system that takes into account harmony with natural capital, pursuing continuous improvements to yield tangible environmental performance.

Biodiversity Management Process

Step	
1 Step	Analyze the geography of site locations
2 Step	Identify dependencies and impacts
3 Step	Identify risks and opportunities
4 Step	Develop and implement mitigation plans
5 Step	Disclose

Dependencies

Ecosystem services	Dependencies drivers	Materiality rating
Provisioning services	Water supply	Low
Regulating and maintenance services	Global climate regulation services	Very low
	Local (micro and meso) climate regulation services	Low
	Air filtration services	Very low
	Soil and sediment retention services	Low
	Solid waste remediation	Low
	Water purification services	Medium
	Water flow regulation services	Medium
	Flood mitigation services	Medium
	Storm mitigation services	Medium
	Noise attenuation services	Very low

Impacts

Impacts drivers	Materiality rating
Disturbances	Medium
Emissions of GHG	Medium
Emissions of non-GHG air pollutants	Medium
Generation and release of solid waste	Medium
Area of land use	Low
Emissions of toxic pollutants to water and soil	Medium
Volume of water use	Low

BIODIVERSITY MANAGEMENT

Management Framework

At the site level, we conduct more detailed biodiversity risk analysis using the IBAT (Integrated Biodiversity Assessment Tool) and the WWF Biodiversity Risk Filter. Our analysis covers both physical risks (direct impacts arising from climate and natural environment changes) and reputational risks (shifts in stakeholder perception resulting from environmental degradation). It also evaluates threat levels and restoration potential, comprehensively taking into account each site's proximity to protected areas and the distribution of endangered species based on the IUCN[1] Red List. Through this analysis, we have quantified biodiversity risk levels at each operational site and identified priority areas for management. We are currently reviewing future management directions for these areas, and for some, we are exploring opportunities to link biodiversity conservation with community-based corporate philanthropy initiatives. Going forward, we plan to expand this management framework beyond our operational sites to encompass upstream and downstream stages of our value chain, including regions where key raw materials such as natural rubber are sourced, thereby advancing toward a value chain-wide biodiversity management system. This, in turn, will ensure more granular management of interactions with natural capital and strengthen our mid- to long-term capacity to address environmental risks.

1) IUCN: International Union for Conservation of Nature

Comprehensive Assessment of Physical and Reputational Risks, Threat Levels, and Restoration Potential

Risk Score	Physical Risk	Reputation Risk	No. of Endangered Species[1]		Total	STAR Metric[2]	
			Critically Endangered (CR)	Endangered (EN)		Threat	Restoration
Daejeon Plant	3.62	3.02	0	13	13	0.451	0.578
Geumsan Plant	3.63	2.94	0	16	16	0.693	0.506
Jiangsu Plant	3.85	3.4	1	11	12	0	0.719
Jiaxing Plant	3.84	3.46	17	37	54	14.802	1.187
Chongqing Plant	3.9	3.4	6	11	17	0	2.304
Hungary Plant	3.1	3.19	2	28	30	0	2.204
Indonesia Plant	3.65	3.17	32	255	287	0	106.482
Tennessee Plant	3.38	2.62	9	18	27	0.487	1.024

1) Based on species classified as Critically Endangered (CR) or Endangered (EN) on the IUCN Red List within a 50km radius
2) The Species Threat Abatement and Restoration (STAR) metric is used to quantify contributions to the reduction of extinction risk for endangered species

Policy

Biodiversity Policy
Hankook Tire & Technology recognizes that nature and ecosystems form the cornerstone of sustainable corporate growth and industrial activity, and has established a biodiversity conservation policy accordingly. This policy applies to all our domestic and overseas operational sites, subsidiaries, and employees, and we are cascading this policy to embed its intent across our supply chain. Our core principles for biodiversity protection are compliance with international standards and regulations, impact minimization, a precautionary approach, and collaboration with stakeholders. Taking into account the dependencies and impacts of our business operations on biodiversity, we aim to achieve 'No Net Loss,' while progressing toward 'Net Positive Impact' over the mid- to long-term. We also recognize the need for collaboration with local communities and our supply chain on biodiversity conservation, and have built this in our policy direction. This approach prioritizes the shared responsibility for biodiversity protection, and serves as a foundation for progressively reviewing the scope of management in alignment with our business operations.

Key Initiatives

As part of our biodiversity conservation efforts, we manage environmental impacts and pursue ecosystem protection and restoration initiatives in the communities surrounding our domestic and overseas sites. In collaboration with local communities and specialized institutions, we help raise awareness and broaden the foundation for biodiversity conservation.

In Indonesia, we continue to pursue mangrove forest restoration to safeguard marine ecosystems and help mitigate climate change. Mangroves play a vital role in sustaining coastal ecosystems—mitigating coastal erosion, absorbing carbon, and providing habitats for a wide range of species. In 2025, we planted an additional 5,000 mangrove trees through an employee volunteer program at Pantai Sederhana in Muara Gembong, Bekasi. Together with the 2,500 trees planted in 2024, this brings the total planted in the area to 7,500. We expect these efforts to help restore ecosystem functions in areas affected by coastal erosion and habitat degradation.

In Korea, we sponsor the research activities of the Chollipo Arboretum Foundation, a biodiversity management institution designated by the Ministry of Environment. The Foundation engages in a wide range of biodiversity conservation activities, including propagating and conserving endangered plants and native species, operating multilateral seed exchange programs, developing management systems for ex-situ conservation species, and collecting and propagating rare and endemic plants. In particular, the Foundation is instrumental in conserving endangered plants, securing genetic resources, and maintaining plant species diversity, with a focus on securing the data needed to conserve plant diversity both in Korea and abroad. Through our support for these research and conservation activities, we help build long-term capacity for biodiversity conservation and contribute to the protection of genetic resources.

Social

Hankook Tire & Technology stands with its employees, suppliers, and local communities on the journey toward a better future. We honor the work and life of every employee, realize shared growth with our suppliers, and drive the advancement of the communities we serve—fulfilling our social responsibility every step of the way.

HUMAN RIGHTS MANAGEMENT

Governance

Human Rights Governance

Hankook Tire & Technology has established a human rights governance framework comprising the Board of Directors, top management, the Chief Human Rights Officer, a dedicated human rights department, and relevant functions. The Board of Directors and its ESG Committee serve as the highest decision-making bodies for human rights management, while top management reviews salient human rights issues and ensures the proper implementation of human rights practices throughout the company. The Chief Human Rights Officer is responsible for overseeing the company's human rights management system, encompassing assessment of the current human rights status, improvement planning, and the identification and remediation of risks. The ESG Team, serving as our dedicated human rights department, collaborates with relevant functions including HR, ethics, SHE, and corporate culture to assess our overall human rights standing on an annual basis and formulate improvement plans, thereby ensuring that a sound human rights culture becomes firmly embedded across the organization.

To further advance human rights management, we establish annual initiatives and monitor their progress through the Employee Committee, one of its ESG Steering Committees. This Committee serves as the primary consultative body through which the working-level functions engaged in human rights practice—the HR organization, the Proactive Culture Team responsible for corporate culture, and the ESG Team—convene for deliberation and decision-making. Progress on these initiatives, each formulated in service of our mid- to long-term human rights strategy and objectives, is reviewed on a regular basis and reported to top management through the ESG Strategy Committee at the outset of each year. Anchored in this robust governance framework, we oversee human rights across the full scope of our business operations, firmly embedding a sound human rights culture and continuously elevating the standard of our human rights management.

Board of Directors (ESG Committee)

Top management

Chief Human Rights Officer

Lead function	ESG Team	Oversee the company's human rights management system including human rights impact assessment
Working-level functions	HR, business ethics, SHE teams,	Monitor human rights risks, develop improvement plans, conduct human rights training

Key Activities and Outcomes by Area

Labor	Operate the grievance mechanism, provide training and awareness-raising to grievance-handling personnel, and conduct human rights training on preventing sexual harassment, discrimination, and workplace bullying
Ethics	Operate whistleblowing mechanisms, publish the E-thics Letter
Safety	Provide health and safety training, support employees with psychological counseling, conduct risk assessments to monitor implementation and conduct follow-up reviews

Policy

Human Rights Policy

Hankook Tire & Technology upholds and respects internationally recognized human rights principles, and works proactively to ensure that no aspect of its business operations results in human rights violations. Recognizing human rights as a fundamental universal value, we place human dignity and worth above all else, and are committed to protecting and advancing human rights across every facet of our operations. Through our Human Rights Policy, we have publicly affirmed our commitment to respecting and protecting the human rights of all employees including permanent, contract, temporary, and migrant workers as well as customers, local communities, and all stakeholders engaged through our products, services, and business activities. In fulfilling this responsibility, we adhere to internationally recognized labor and human rights standards, among them the International Bill of Human Rights, the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child, while complying with the labor laws of every jurisdiction in which we operate. Where domestic law and international standards diverge, we seek to apply the higher standard to the extent practicable. Guided by these principles, we remain committed to fulfilling our social responsibility, promoting the well-being of all stakeholders, respecting and protecting human rights under all circumstances, and promoting the sound development of society at large.

View the full version of our Human Rights Policy

Strategy

Hankook Tire & Technology regularly monitors human rights risks throughout its operations to ensure its human rights management aligns with global standards. We conduct a global human rights impact assessment once a year, drawing on two years of grievance data and the specific context of each site to identify areas of vulnerability. In parallel, we continue to strengthen human rights training and enhance our grievance mechanism. In 2025, the assessment covered 56 sites worldwide, and no severe human rights risks were identified.

Human Rights Management Process

Establish human rights declaration and principles → Conduct human rights impact assessment → Identify vulnerable areas → Develop improvement plans → Strengthen training and grievance mechanisms → Monitor implementation and conduct follow-up reviews

Human Rights Impact Assessment Overview

Scope	All global operational sites (headquarters, domestic and overseas plants, R&D centers, and overseas offices and subsidiaries)
Cycle	Annual
Key stakeholders	Our employees
2025 assessment scope	56 sites worldwide
Key findings	No severe human rights risks identified
Areas for improvement	Raising awareness of and trust in the grievance mechanism, managing 4 sites requiring improvement

HUMAN RIGHTS MANAGEMENT

Management Activities

Stakeholder Communication

At Hankook Tire & Technology, we are committed to building a sustainable future in partnership with our diverse stakeholders. As part of our efforts to respect human rights, we draw on a range of communication channels to gather stakeholder feedback and incorporate it into our business practices while maintaining an ongoing dialogue to share our ESG performance and future plans. The channels and modes through which we engage stakeholders span a broad spectrum, from informal, day-to-day conversations to formal, strategic partnerships. Our stakeholders encompass our employees, customers, suppliers, shareholders and investors, governments, local communities, civil society organizations, and international organizations.

Stakeholder Communication Channel

Misconduct Reporting
Receive proposals for improvements to our entire operations through the Misconduct Reporting section of our global website

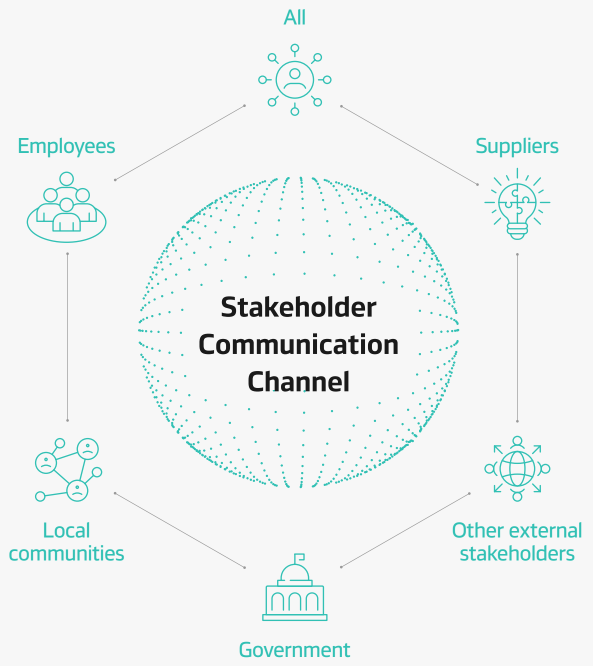
Misconduct Reporting webpage

Corporate culture assessment: Organizational Engagement Survey (global) culture survey
Assess our corporate culture to understand the current state of each organization and identify areas for improvement.

Junior Board
Collect feedback from millennial and Gen Z opinion leaders to identify and improve issues

Complaints
Collect proposals for improvements in relation to employees' corruption, misconduct, or inappropriate practices and policies

Local communities and community leaders
Engage in continuous communication with community leaders as well as local governments in areas where we are based to gather community feedback



Supplier communication
Collect feedback and strengthen partnerships through regular supplier communication channels

Supplier proposal program
Collect any ideas from suppliers to improve issues and pursue mutually beneficial supply chain relationships, and reward outstanding ideas

Shareholders
Host conference calls, attend conferences led by securities firms, and hold year-round IR meetings to collect and reflect feedback from domestic/overseas investors

Customers (OEMs, end customers, and dealers)
Operate wide-ranging communication channels including the customer satisfaction center, car maker assessments and meetings, and dealer discussion meetings

Human rights reports
Submit country-specific human rights reports in accordance with applicable legal requirements

Human Rights Reporting

Hankook Tire & Technology transparently discloses its human rights initiatives with reference to UN guidance on the corporate implementation of human rights management. Our Human Rights Policy is made available on our global website, and through our annual ESG Report, we disclose and manage the human rights impacts arising from our business operations. As a company operating across multiple jurisdictions, we prepare human rights-related reports in accordance with the legal requirements and obligations of the countries in which we operate. Our Canadian subsidiary publishes an annual compliance report addressing forced labour and child labour in the supply chain, while our Australian subsidiary issues an annual statement on modern slavery.

Employee Communication and Grievance Handling Process

Hankook Tire & Technology maintains a range of communication channels designed to cultivate a positive corporate culture built on open, two-way communication, the resolution of employee grievances, and the prevention of workplace disputes. Our regular Organizational Engagement Survey and corporate culture innovation survey allow us to assess the state of each organization and drive improvement initiatives in response to issues identified. We operate a structured grievance mechanism through which any employee affected by an adverse impact may raise a concern. Grievances are heard through multiple channels and are managed on an ongoing basis to ensure prompt, proactive resolution. Designated grievance officers, trained in our grievance-handling policies and guidelines, remedy harm in accordance with established procedures, reflecting our broader commitment to protecting workers' human rights and fostering a healthy, safe working environment.

HUMAN RIGHTS MANAGEMENT

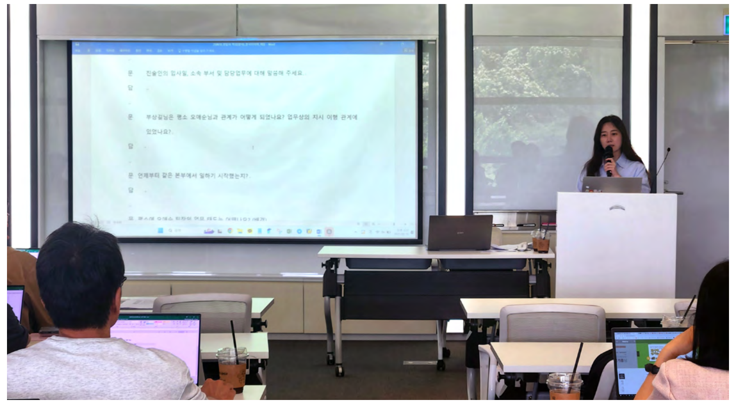
Training

Company-wide Grievance Handling Training for Leaders

Hankook Tire & Technology remains steadfast in its commitment to strengthening human rights protections and the grievance mechanism, in pursuit of a healthy organizational culture in which the dignity and rights of every employee are upheld. As part of this commitment, in 2025 we incorporated workplace bullying prevention training into our leadership training curriculum for all team leaders across the organization, delivering a total of eight sessions—three at the Headquarters and five across our operational sites. Team leaders attend systematic training on relevant laws and regulations, internal reporting procedures, and the obligation to prevent secondary victimization, to serve as effective first point of contact in the grievance-handling process. Through these efforts, we endeavor to establish an environment in which every employee may raise concerns without fear of retaliation and receive prompt protection. Going forward, we will continue to refine our training methodology including through case-based discussion formats and to periodically share case studies and response procedures, thereby further reinforcing a human rights-friendly organizational culture.

Grievance Handling Process

Grievance reporting	Grievance intake	Consultation	Investigation	Corrective Action & Response	Follow-up
· Open to anyone—affected individuals and colleagues alike · Received via dedicated email, phone, text, messenger, or Teams at each site	· Logged within 3 business days of eligibility review · Exclude routine management/ HR complaints, unsubstantiated claims, or defamatory reports	· Initial consultation held promptly after intake · Confirm affected individual's requests and gather objective evidence	· Conducted as warranted, based on case nature and requests · Protective measures applied where necessary	· Disciplinary action via HR Committee if misconduct confirmed (affected individual's views heard first) · Outcome communicated to relevant parties	· Regular monitoring to prevent secondary victimization · Strict confidentiality maintained throughout



Training for heads of grievance handling departments

Training for Grievance Handling Personnel

To enhance the effectiveness of our grievance mechanism, we provided practical training based on applicable laws and internal policies. The training took a hands-on approach, covering the entire process from intake and consultation through investigation and resolution, and strengthened participants' professional judgment and response capabilities through real-world case studies. Offered annually since 2023 to grievance personnel across the organization, including the holding company and affiliates, this program has to date reached 84 participants for a cumulative 567 training hours. Through this training, we continue to improve the objectivity and reliability of our grievance handling process, supporting the protection of employee rights and the development of a healthy organizational culture.

Training Provided

4 sessions in total, extending training to both grievance personnel and the department heads overseeing grievance handling

Category	2023	2024	2025	
Participants	Personnel (30 persons)	Personnel (20 persons)	Personnel (19 persons)	Department heads (15 persons)
Training hours	6 hours (theory)	6 hours (theory) + 6 hours (practice)	3 hours (theory)	3 hours (theory) + 3 hours (practice)
Training topic	1. Role and function of grievance handling 2. Definitions and procedures for workplace bullying and sexual harassment 3. Practical skills for consultation, investigation and deliberation (key considerations and checkpoints)	* Including review of fundamentals 1. Standards for workplace bullying and sexual harassment 2. Criteria for recognizing industrial accidents 3. [Practice] Developing investigation plans and drafting Q&A records and investigation reports	* Including review of fundamentals 1. Workplace bullying prevention measures 2. Cases of grievance reporting abuse 3. Follow-up actions for false reports	* Including review of fundamentals 1. Standards for workplace bullying and sexual harassment 2. Response process 3. [Practice] Developing investigation plans and drafting Q&A records and investigation reports

Training for grievance handling personnel

HUMAN RIGHTS MANAGEMENT

Human Rights Impact Assessment

Human Rights Impact Assessment Process

Hankook Tire & Technology conducts a human rights impact assessment once a year across all global operational sites, including its Headquarters, domestic and overseas plants, R&D centers, and overseas offices and subsidiaries. This process allows us to proactively identify, assess, and mitigate human rights risks affecting employees and other stakeholders and continuously strengthen our human rights practices along with protection. Beyond scores generated through structured survey questionnaires we draw on employees' open-ended responses captured as Voice of Employee (VOE) input to understand areas requiring improvement and set priorities and plans for improvement. In consultation with site leadership, we identify assessment participants with particular attention to groups considered vulnerable, such as employees returning from parental leave, new hires, and temporary employees using specialized questions to ensure a more precise assessment. To support accurate responses, we provide training on our human rights practices and policies as well as grievance mechanism ahead of the assessment. In 2025, the assessment covered all global operational sites, including Hanon Systems for the first time following the establishment of the new business relationship. From 2026, we plan to expand the scope of assessment to include human rights, environmental, and safety assessments across our supply chain.

Human Rights Impact Assessment Results

Hankook Tire & Technology draws on the previous year's assessment findings to identify areas for improvement by site and organization, then plans and implements targeted actions accordingly. In 2025, we conducted the assessment across 56 sites worldwide. Year-over-year, employees' basic human rights protection and awareness improved overall, with no severe risks identified. In particular, we conducted additional assessments on occupational safety and health for representative managers at our domestic and overseas plants, and on responsible supply chain management for leaders (team leaders) within our global purchasing organization. Questions concerning compliance with fundamental labor laws, including the prohibition of child labor and occupational safety protections, yielded a very high proportion of positive responses. As in the prior year, however, the need for improvement was found to be comparatively high with respect to awareness of and trust in the grievance mechanism. We will continue to enhance our remediation procedures, protect the identities of affected individuals and whistleblowers, and strengthen transparency, alongside expanded training and awareness efforts, to build greater employee trust. Through our human rights due diligence process we remain committed to establishing the optimal policies and management systems.

Diversity

Female Leadership Mentoring

Hankook Tire & Technology develops and implements structured plans aimed at identifying next-generation women leaders and strengthening their capabilities. As part of this effort, we operate our diversity leadership mentoring program with a focus on nurturing candidates equipped with the skills and competencies required of future women leaders. In 2025, we expanded the program's reach to 21 mentees, up from 15 the previous year, with participants drawn from across the organization including the Headquarters, R&D, and production and quality, providing four months of mentoring alongside executive mentors. Through networking with a range of leaders, mentees gain valuable insights and engage in in-depth exchanges on leadership know-how, career direction, and intergenerational communication. Participation in external conferences for next-generation women leaders further reinforced their leadership capabilities. Through this program, we remain committed to supporting female talent in pursuing meaningful career growth within the organization, while continuing to strengthen diversity and inclusion across the company as a whole.

Diversity Training for Expatriates

In pursuit of diversity and inclusion within a global business environment, Hankook Tire & Technology provides systematic diversity training for employees assigned as expatriates to countries around the world. Structured as a mandatory pre-departure course, this training prepares expatriates to fulfill their roles as global talent in their host countries. The curriculum comprises a range of modules, beginning with an overview of expatriates' roles, responsibilities, and relevant policies and systems, and extending to guest lectures delivered by external experts on cross-cultural understanding and the cultivation of an expatriate mindset. The training places particular emphasis on developing a global mindset, understanding cross-cultural differences in the host country, and deepening awareness of local culture through cultural quotient assessments and culture mapping exercises, thereby equipping expatriates with the capability to leverage cultural differences as a source of strength in business collaboration. Through this program, we support expatriates in developing into global leaders who collaborate with colleagues of diverse cultural backgrounds on the basis of mutual respect, and we remain committed to embedding diversity and inclusion into everyday practices across our operations worldwide.

TALENT

Governance

Hankook Tire & Technology envisions the "Proactive Leader" as its ideal talent profile—professionals who will lead the future of the automotive industry through the spirit of challenge and innovation. Through a range of global talent development programs and initiatives, we are committed to supporting every employee in growing into a Proactive Leader, one who combines deep expertise with the initiative to take true ownership of their work. To this end, we maintain a structure in which HR departments at each site and in each country manage HR operations with professional expertise, under the overall leadership of our Headquarters HR function. Built on this company-wide HR management framework, we operate HR systems spanning recruitment, training, talent development, performance management, compensation, and benefits. In tandem, we implement programs that advance equity, diversity, and inclusion, empowering every employee to unlock their full potential and continue to grow.

Support for Employee Growth

Global Talent Program
Our Global Talent Program aims to cultivate outstanding talent both in Korea and overseas, providing employees across various countries with opportunities to strengthen their capabilities and build a global network and contributing to a stable foundation for localization.

G.PLC (Global Proactive Leadership Camp), launched in 2018 for top-performing overseas employees, shares the company's core values and presents a vision for their future as global leaders. As of 2025, 74 employees from 13 countries have participated, engaging in Function Workshops spanning marketing, production technology, and R&D to discuss key issues and share work know-how with Headquarters employees. Through this experience, participants have deepened their understanding of the company's business strategy and organizational culture while expanding their cross-functional collaboration networks. In 2026, we plan to revise the program's operating structure, including by expanding the range of operational sites visited.

Implemented alongside G.PLC, the GCP (Global Career Development Program) supports the career development and capability building of outstanding overseas employees by offering them the opportunity to work at our Global Headquarters. Since 2021, 15 employees from sales & marketing, technology & development, and management support have participated, selected from regions including Europe, China, the United States, and Indonesia. Taking on substantive responsibilities for six months or more at domestic sites including our Headquarters and R&D Center, they broaden their professional perspective, deepen their functional expertise, and build a strong foundation for their growth into future global leaders.

Onboarding

Hankook Tire & Technology provides onboarding programs tailored to different types of new hires, supporting their smooth adjustment to the organization and early integration into their roles. In 2025, we continued to operate onboarding systems suited to the distinct needs of new graduate hires and experienced hires, further strengthening our support for organizational adjustment.

New Graduate Onboarding Program
To support new graduate hires in adjusting to the organization and becoming productive contributors early on, we operate an onboarding program comprising orientation training, on-the-job training (OJT), mentoring, an improvement proposal project, and a Value-Up Program. In 2025, 132 new hires completed the program. Orientation training helps participants build an understanding of the organization, become familiar with company policies and systems, internalize our core values, and strengthen competencies common across job functions, complemented by a welcome program and participatory activities that foster a sense of belonging from the outset. Once placed in their roles, participants receive continued support through OJT and mentoring, while the improvement proposal project and Value-Up Program build on this foundation to strengthen job performance capabilities and help chart their growth path.

Experienced Hire Onboarding Program
We continue to operate a dedicated onboarding program that supports experienced hires in adjusting smoothly and finding their footing early on. The program centers on a common orientation course designed to deepen understanding of the company's business direction, organizational culture, core policies, and working environment, paired with department-based OJT. It also includes guidance on operational sites and key work infrastructure, along with follow-up support that monitors early-stage adjustment, enabling experienced hires to establish themselves within the organization with confidence.

TALENT

Support for Employee Growth

Digital

Generative AI Training Program for Executives

Continuing the training first introduced in 2024, Hankook Tire & Technology provided generative AI training for all executives across three sessions in 2025, with the aim of responding to the rapidly shifting digital landscape and deepening executives' understanding of AI. Delivered at the Hankook & Company Group level, the training covered the technical principles and latest developments in generative AI, along with hands-on instruction on ChatHK, our in-house generative AI service. Through this training, executives gained a systematic grasp of the fast-evolving AI landscape, laying the groundwork to translate these insights into business strategy and decision-making.

AI Service Development Platform Program for AI Crew

Hankook Tire & Technology provided a Group-wide training program to strengthen AI service planning and development capabilities among "AI Crew"—employees selected from each organization to drive AI adoption. Built on AIMS, our integrated in-house AI platform, the program comprises basic and advanced tracks: the basic track offers practical training to help build a foundational understanding of generative AI and platform usage, while the advanced track focuses on hands-on experience in developing AI services based on real-world tasks. Through this program, we are cultivating specialized talent equipped to lead AI-based services from planning through development, with the goal of embedding AI capabilities across the organization.

In-house Generative AI Idea Contest

Hankook Tire & Technology participates each year in the "In-house Generative AI Contest," hosted by Hankook & Company Group to strengthen employees' AI capabilities and foster a culture of digital innovation in the workplace. The 2025 edition marked an evolution from the previous idea-centered format, incorporating an evaluation of real-world applications and implemented outcomes. The Group received a total of 63 submissions spanning AI use cases and ideas. Award-winning entries have since been put into practice, driving improved productivity and greater operational efficiency.

Job Expertise

Training to Strengthen Fundamental R&D Job Competencies

Hankook Tire & Technology provides job training for its R&D workforce, designed to support the achievement of its R&D strategy. The curriculum delivers in-depth training by proficiency and competency level across four areas spanning design & mass-production, foundational technology research, virtual, and future tire & new business research. In 2025, 692 employees completed a total of 44 courses, achieving a completion rate of 112%. We also survey participants each year to continuously refine our training courses. Recognized for the excellent quality of our training curriculum, we received the Chairman's Award from the Human Resources Development Service of Korea (HRDK) in the large and mid-sized enterprise category at the 2024 Outstanding Employer-led Vocational Training Best Practices competition, organized by the Ministry of Employment and Labor and hosted by the HRDK.

T-ACADEMY: Online R&D Self-Learning System

Introduced in December 2022, T-ACADEMY serves as our online R&D self-learning system that provides tailored learning content to cultivate a self-paced learning culture and support the growth of our R&D workforce. Its curriculum spans four levels—Beginner, Basic, Intermediate, and Advanced – with 192 courses currently available, tailored to each learner's target level and course requirements. Technical seminars held at our R&D centers are also recorded and posted to the platform, making it easier for different departments to share R&D efforts and outcomes with one another. To strengthen the job competencies of our locally-hired employees overseas, we have translated 32 courses into English and nine into Chinese.

Learning by Others: CoP for R&D Learning

We support Communities of Practice (CoPs) that enable our R&D workforce to share work-related knowledge. CoPs are organized into two types—participation-based and open-type—and we operate an online communication channel on the Teams platform to facilitate exchange across CoPs. In 2025, 13 CoPs were established over seven months, engaging 195 participants and yielding 44 patent applications across areas such as tire design and materials technology. Beyond generating insights on five tire technology themes through Patent Landscape analysis, we also launched a new digital track, under which participants developed BI tools and generative AI-based systems among other initiatives. Participation-based CoPs, in particular, drove greater momentum in patent-related activities, with patent personnel joining as members and holding meetings with patent attorneys. Meanwhile, participants in the digital CoP took part in an external training session that strengthened their digital capabilities and supported the group in achieving its objectives.

Learning by Experts: R&D Tutoring

R&D Tutoring is a small-group, intensive learning program that brings together R&D employees from different disciplines to deepen their job expertise and exchange specialized knowledge. In 2025, 42 senior researchers led regular individual tutoring sessions, delivering tailored training to researchers grouped by performance specialization. Each session's content was subsequently shared on T-ACADEMY. Over the course of four months, 480 researchers took part, reporting high levels of satisfaction.

Overseas TC Employee Training: Overseas TC R&D Engineer Skill-up Program

We provided training for employees at our overseas Technical Centers (TCs) to strengthen R&D work processes and job expertise, thereby fostering a stronger sense of belonging among our employees and reinforcing our global networking framework. In 2025, the program was held in three sessions, engaging a total of 20 engineers from our research centers in the US, Germany, and China across the OE development and development support tracks. The introductory and common courses comprised briefing on our R&D strategy and organizational structure, tours of key infrastructure, and exposure to Korean culture, alongside training on tire structure, raw materials, development, and our gate process, ensuring participants enhance foundational capabilities. The advanced courses further sharpened participants' practical expertise: the OE development track covered design and virtual submission along with performance evaluation and analysis automation, while the development support track focused on Green Spec, test non-conformance analysis, and manufacturing simulation.

TALENT

Support for Employee Growth

Safety Production & Engineering Staff Office

Our manufacturing and equipment job training is tailored to each employee's tenure and skill level, with programs designed to meet the needs of employees at every stage from junior to senior. Junior employees are supported in gaining knowledge of tire structure and the production process, grounded in understanding of manufacturing and equipment technology, with training focused on strengthening on-site adaptability and foundational job competencies. Senior employees receive specialized technical training in areas such as CAD, PLC, and mechanical design, enabling them to contribute immediately to plant expansion projects, while more advanced courses help elevate their individual technical capabilities to the next level.

ABB High-Voltage Inverter Troubleshooting Training

In 2025, we provided job training to equipment technology PMs and related office and production staff, aimed at building in-house expertise in ABB inverter maintenance. Over a total of eight hours, the training produced a pool of 15 skilled technical personnel, helping reduce repair times when equipment failures occur.

Expert Learning Class

At each of our production plants, in-house experts lead small-group lectures for employees who sign up, held one to two times a month to mentor junior staff and share specialized knowledge and technical expertise. With 30 to 40 employees participating each month and topics selected based on what participants themselves wish to learn, the program consistently earns high satisfaction ratings.

Organizational Culture

Corporate Culture Grounded in Proactive Culture

Hankook & Company Group is building an organizational culture where continuous innovation and growth are driven by the autonomy and execution of its employees. At the center of this effort is Proactive Culture, the Group's distinctive corporate culture, characterized by employees who identify and solve problems on their own initiative, driving change across the organization through proactive thinking. Embedded throughout our policies and systems, this culture empowers employees to put innovation into practice as part of their everyday work.

Innovating the Way We Think

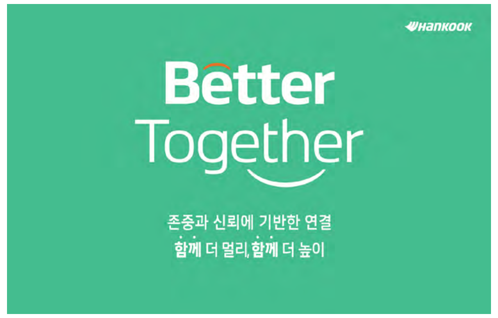
Hankook & Company Group fosters a culture driven by ideas and execution that inspires every employee to become an agent of innovation. Proactive Studio, our in-house platform, connects the full journey from idea proposal to execution, while Proactive LAB, our innovation challenge program, brings outstanding ideas to life. Together, these initiatives cultivate a culture that embraces challenge without fear of failure, reinforcing an execution-driven mindset in which ideas consistently translate into tangible outcomes.

Innovating the Way We Communicate

Hankook & Company Group is building a culture of open and respectful communication in which employees address one another by name, rather than by job title, as an expression of mutual respect and equality. We strengthen two-way communication by sharing company-wide news and insights through digital collaboration platforms, and operate a range of programs including Proactive Concert, Unexpected Connections, Unexpected Series and Knowledge Sharing sessions. Unexpected Series, in particular, fosters connections across teams to help build collaborative relationships, promoting organic communication and collaboration that transcends organizational silos.

Innovating the Way We Work

Grounded in behavioral change among employees, Hankook & Company Group is actively driving innovation in the way we work. Campaigns such as 'Less for Better,' 'Promise of Hankook,' and 'Better Together' systematically advance our efforts to eliminate inefficiencies, establish clear work principles, and strengthen collaboration. Better Together, in particular, is run as a team-based, participatory initiative that spreads collaborative experience and strengthens connections across the organization. Through our Junior Board program, we help employees build on their positive experience of our organizational culture to grow into agents of change and innovation. By translating the ideas they generate into tangible improvements to everyday work, we continuously expand the scope of change and execution across the organization.



TALENT

Performance Management

At Hankook Tire & Technology, performance management is central to our management system connecting “Business" and "People." By comprehensively evaluating employees' capabilities and performance, we lay the groundwork for fair HR management, supporting both organizational performance and our employees' ongoing growth.

Built on our core value of Proactive Leadership, our performance management system evaluates employees by comprehensively assessing how they perform their work as well as the results they achieve. A range of 360-degree assessments including leadership evaluations and peer evaluations enhances the objectivity of these evaluations and generates feedback that supports employees' capability development.

Evaluation results inform decisions across the full spectrum of HR management, including compensation, promotion, and development. To strengthen the credibility and acceptance of our evaluations, we conduct 'Reflection & Dialogue' throughout the year, fostering a culture of mutual communication in which evaluators and employees look back on performance together (Looking Back) and discuss future development (Going Forward). Through this process, performance management extends beyond simple evaluation to support both employee growth and organizational development.

Employee Benefits

Flexible Work Arrangements

Hankook Tire & Technology continues to expand flexible work arrangements that support a healthy work-life balance, helping employees engage more fully in their work, perform well, and experience a more satisfying work environment. Our R&D Center has offered staggered hours since 2015, allowing employees to independently choose their start and finish times. Building on this, our domestic plants have offered a 2-week cycle flexible work hour schedule since 2018, enabling employees in operator positions to flexibly arrange their preferred work hours within an average of 40 hours per week over the two-week period.

Following a 2020 pilot of selective work hours for two teams at our Headquarters, we developed a flexible work arrangement application system in 2021 based on satisfaction survey results, and have since steadily scaled this system. In particular, we have broadened the available staggered-hour ranges for employees with children aged 12 or younger or in sixth grade or below, enabling work hour arrangements suited to employees' diverse needs and circumstances.

We have further built an environment powered by our VPN (virtual private network) system, in which employees can work seamlessly anytime, anywhere, regardless of location. Going forward, we plan to continue supporting remote work arrangements to enhance efficiency and help employees sustain a healthy work-life balance.

Family-friendly Programs

To help employees strike the right balance between work and family, Hankook Tire & Technology provides a range of family-friendly programs. We have arranged in-house breastfeeding facilities to support employees with childrearing and family care, and guarantee up to one year of parental leave for employees with children in grade 2 or below. We also provide a reduced working hour program for childcare and family care, allowing employees to adjust their work hours to meet caregiving needs without taking a leave of absence. Essentially, this protects them from career discontinuation while giving them the time they need for their children and family. In addition, employees are eligible for up to 10 days of family care vacation and up to 90 days of extended family care leave per year to meet urgent care needs arising from a family member's illness, accident, or old age.
For employees experiencing infertility, we provide fertility leave along with financial support for fertility treatment costs to ease their financial burden, complemented by fertility treatment leave that allows them to focus on their care. To familiarize employees with our family-friendly programs and make them more accessible, we provide executives and team leaders with individual guidance on programs available along each employee's lifecycle stages, and have created a single access point for information so that employees can easily access relevant details anytime, anywhere. We expect this will encourage even more employees to actively seek support through our family-friendly programs, fostering a more stable working environment.

In-house Daycare Centers

To help employees work with peace of mind while entrusting their children to reliable care, Hankook Tire & Technology operates in-house daycare centers at major operational sites, including its Headquarters, R&D Center, and plants. Building a childcare environment that employees can trust, we continually strengthen and improve our offerings across childcare and education, health management, and staff training. Customized training based on teachers' experience and age-group specialization, together with learning community activities, continues to deepen the professionalism of our childcare services. In 2026, we plan to introduce new in-house healing programs designed to support our teaching staff's emotional well-being and job satisfaction.

Structured around the physical and emotional development of each age group, our daycare programs evolve each year to meet children's needs. In 2025, we strengthened sensory- and nature-based activities for our infant classes and expanded an integrated curriculum spanning language, social skills, coding, and English for our toddler classes. To further refine our customized education, we plan to introduce new programs in 2026, including interactive read-alouds, literacy and numeracy instruction, Korean language, coding, and an integrated social skills curriculum while expanding field trips and forest experience activities to strengthen hands-on learning and broadening our native-speaker English program to build global competency.

Grounded in meal plans designed by professional nutritionists, our daycare centers maintain the rigorous management of ingredients and hygiene, and systematically safeguard children's health through regular developmental assessments, health checkups, and indoor air quality management. A range of family engagement programs including parent lectures, participatory classes, and family events further connect our childcare environment with the home. In 2026, we plan to expand our parent education offerings with new lectures on early childhood sex education, while strengthening individualized childcare programs and external expert referral support for children who need additional developmental support.
These efforts were reflected in our 2025 parent satisfaction survey, which recorded an average score of 4.69 out of 5, sustaining a high level of satisfaction with our overall operations.

We further support work-family balance and the development of future talent by providing kindergarten tuition support for employees with children aged 4 to 6 and operating science camps for the children of our own and supplier employees. Going forward, we will continue making ongoing improvements to build a childcare environment that satisfies both employees and their children.

HEALTH AND SAFETY

Governance

Health and Safety System and Governance

At Hankook Tire & Technology, the safety and health of our employees stand as a non-negotiable top priority of corporate management. We have embedded health and safety as a core value at the heart of our management: we go beyond mere compliance with legal obligations, and are advancing a roadmap toward achieving Zero Accident workplaces by 2030. Anchored in a company-wide health and safety management system, we roll out industry-leading safety and health initiatives across the entire product manufacturing process, working to maintain workplaces where every employee can work with peace of mind and to realize the value of a sustainable life.

Health and Safety Organizations and Key Activities

Organization	Key Activity	Cycle	Reporting
Working-level department	▶ On-site safety inspections: On-site unsafe conditions (basic safety), pre-operation safety device checks, etc. - Team leaders (sub-team leaders): Improve on-site SHE nonconformities and verify their sustained resolution - Group leaders: Take accident-prevention safety measures (covers, railings, sensors, fences, walkways, etc.) + housekeeping/cleanlinees - Operators (by team): Check for abnormalities in safety protection devices before equipment operation	Daily/ per shift/pre-operation	Monthly (to plant manager)
Plant SHE	▶ Legal compliance checks: Regulatory requirements, accident prevention activities, working-level department compliance, etc. - Monitor implementation of accident prevention activities and recurrence-prevention measures (serious accident risk points) - Identify and eliminate SHE-related legal violation risks (Occupational Safety and Health Act, environmental laws, fire safety laws, radiation laws, etc.) - Monitor implementation status against inspection standards for each working-level department (led by line safety managers)	Monthly/ monthly/ ongoing	Quarterly (to plant manager)
SHE personnel	▶ Company-wide comprehensive SHE system assessment: Assess SHE implementation across working–level departments and plants - Assess implementation and improvement status of company-wide health and safety management processes (regulations) and nonconformities - Assess implementation of corrective actions for SHE nonconformities (system development → implementation assessment) - Themed inspections: Safety Siren, risk points, fire-vulnerable zones, cross-inspections, issue tracking, etc.) > Cross-inspections: Quarterly on-site inspections → Assessments at the level of external regulatory bodies (quarterly, combining on-site and documentation review)	Quarterly/ ongoing/ quarterly	Semiannually (to CEO)

Plant SHE

SHE personnel

International Health and Safety Management Certification

Health and safety management system (ISO 45001)	100% (achieved by 8 plants)

Policy

Hankook Tire & Technology upholds effective health and safety governance, underpinned by the strong commitment of top management. Our dedicated health and safety organization, operating directly under the CEO, serves as a core mechanism that enables the responsible executive to monitor compliance with statutory safety and health obligations in real time and act on prompt decisions. We deeply share the values behind the Ministry of Employment and Labor's "Safe Workplace Project" and are embedding this commitment as a fundamental social responsibility inherent to corporate management, well beyond mere legal compliance. To help cultivate a distinct safety culture at each of our operational sites, we voluntarily established the Safety Innovation Committee as a company-wide control tower. Serving as a vital link for close communication between management and the field around our shared commitment to safety, the Committee stands as the central pillar of our health and safety management, identifying significant hazards and driving fundamental institutional improvements.

2025 SHE Vision

2025 SHE Vision

“Building safer workplaces” through stronger accident prevention

Risk Zero Act
- Risk assessment-based activities
- Advancing our inspection system
- Ensuring fire zone safety

Safety Culture
- Strengthening compliance with safety discipline
- Improving health and safety training
- Strengthening line-level safety systems

Hazard Free
- Strengthening musculoskeletal disorder prevention
- Improving the working environment
- Ensuring chemical safety

Essential Health and Safety Principles

① Associated organizations and reporting systems shall be responsible for the prevention and occurrence of accidents.

② All employees shall be under the duty to work without causing any safety-related accidents to occur from their initial date of employment.

③ The company shall formulate and train all safety regulations and standards, which shall be strictly complied with by all employees.

④ All employees shall make an effort to discover potential risks in advance, and the company shall take action to make improvements.

⑤ The company shall continuously improve harmful risk factors to protect the safety and health of all employees, including those of its business partners.

⑥ Safety outside of working hours shall be equally considered as safety during working hours.

⑦ The company shall make efforts to develop the technology for optimal safety and health management.

⑧ The company shall advance its safety and health management system through continuous system improvement.

HEALTH AND SAFETY

Strategy

In 2025, Hankook Tire & Technology pursued the goal of "realizing a safe workplace through the innovation of our accident prevention system," advancing this vision through strengthened human capabilities, upgraded technical systems, and quantitative health management. To cultivate a field-driven, self-directed safety culture, we first provided safety and health competency training for supervisors and launched a dedicated development track for SOLs (Safety Opinion Leaders)—entry-level safety leaders—thereby empowering every employee to participate as an active agent of safety. In parallel, we rolled out our AI-based early fire detection system across all sites and established a reliability assurance system for equipment- and line-level safety devices, building institutional settings to monitor potential risks in real time and prevent accidents at their source. We have further introduced a musculoskeletal hazard diagnostic tool and an automated heat illness prevention system, enabling the quantitative management of high-risk working conditions. Through these multifaceted efforts, we have moved beyond passive regulatory compliance to firmly embed a data-driven, proactive approach to health and safety management across our operations.

Safety Innovation Strategy

Safety Innovation				
Safety Innovation	Inspection System	Inspection system development (Jan. 2025)	Post-improvement maintenance (Mar. 2025)	System management (Q1 2027)
		· Segmenting on-site inspection activities by role level - Team leaders: Monitor the status of SHE nonconformity improvements and their sustained maintenance - Group leaders: Implement safety measures for signage and accident risk points - Line leaders: Check the operational status of emergency stop devices (switches/interlocks) · Plant SHE: Legal compliance inspections; SHE personnel: Regulations/assessments, etc.	· Standardizing company-wide SHE nonconformity record management - Record fixed values by item → convert to a database (for easier analysis) - Apply improvement priorities based on risk assessments · Establishing an inspect-improve-sustain process - Inspection (1st) → Improvement → Sustained maintenance (2nd) → Visualization → Recording	· Migrating mobile inspection results to the SHEP database - Enter smartphone inspection results → manage records via the portal system · Building a system to visualize and prevent duplicate nonconformity records - [1st check] Pop-up alerts when the same equipment area recurs - [2nd check] Visualizing similar/duplicate data upon manual entry
	Safety Culture	Supervisor safety expertise enhancement	Employee safety opinion system (safety leaders)	Individual Safety Credit System (rewards)
		· For DP & KP group leaders and team leaders: Statutory training + external specialized training · Strengthening safety expertise through diverse training programs → leveling up management capabilities · Raising the rigor of health and safety obligations and competency assessments - Elevate on-site regulatory compliance standards → raise the level of on-site safety managers	· Selecting one representative per process from each working-level department (sub-team) – 7 from DP, 20 from KP · Developing on-site safety leaders (risk coaching) → in partnership with private safety experience centers · Twice-monthly activities: 4 hours of production + 4 hours of safety activity (roles) - Identify hazards, gather on-site feedback, coach fellow employees on safety, etc.	· Reporting fires via the safety hotline and selecting outstanding safety proposal contributors - Top contributors: earn HDP coupon credits per valid report/proposal (KRW 1,000) > Counted based on valid content only - Led by team leaders: monthly cumulative credit (HDP coupon) rewards distributed · Publicizing proposal content and reward outcomes (via in-house bulletin boards/cafeterias)

Training

As the key link connecting safety and health activities across our operational sites, supervisors undergo specialized competency assessments and training. Drawing on precise analysis of the data insights generated through these assessments, we identify areas for improvement specific to each individual, and help strengthen supervisors' expertise through customized guidebooks and group training sessions. Through this data-driven approach to capability development, we aim to elevate the overall quality of on-site safety management to a consistently higher standard. Separately, we produce and distribute training content covering accident types common to manufacturing, along with corresponding prevention measures, to continuously reinforce employees' safety awareness.

2026 Supervisor Specialization Training Overview

Keyword	Curriculum and Institution
Practical hands-on training	· Near-miss identification and TBM (Toolbox Meeting) competitions · Team mission games for identifying potential hazards · Supervisor competency-building track · Hands-on practice for preventing injuries from musculoskeletal-strain work  
Specialized training institutions	· K:HSE (Korea Health, Safety & Environment Association) hands-on practical training conducted 4 times (8 hours) for group leaders · Other supervisor training institutions Korea New Job & Competency Development Institute, Korea Industrial Safety Association, Nayanet, Serious Safety & Health Prevention Association, Safety Engineering Korea, Korea Occupational Safety Institution
Future plans	· Phase 1: Assess effectiveness · Phase 2: Expand to team leaders · Phase 3: Expand to line leaders → Delivering real impact on the ground

HEALTH AND SAFETY

Risk Management

Combining field-driven prevention efforts with technological innovation, Hankook Tire & Technology is building a safety net that leaves no blind spots. Beyond our annual routine risk assessments, we conduct non-routine risk assessments that respond immediately to changes in the working environment or the discovery of near-misses, thoroughly closing any gaps in our risk management. We have rolled out pre-work TBM (Tool Box Meeting) activities across all plants, proactively addressing the risks inherent in both routine and non-routine work and applying appropriate safety measures accordingly.

In particular, we have introduced SHE cross-inspections between operational sites, enabling an objective, outside perspective on risks and facilitating the exchange of effective improvement cases and ideas. Through our Safety Siren initiative, we monitor frequently occurring safety incidents (near-misses), and issue alerts when a risk is deemed critical, triggering focused inspection and improvement at the relevant department and reinforcing vigilance against severe accidents. Complementing these risk management efforts, our Global Plant SHE Best Practice program recognizes outstanding health and safety practices for benchmarking across sites, driving continuous improvement in health and safety performance.

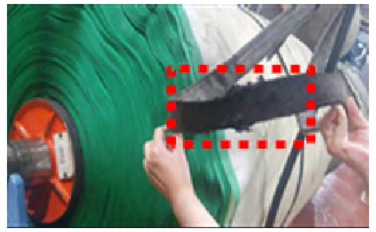
To secure the inherent safety of equipment—an essential element of manufacturing—we have introduced and firmly established our proprietary Lock-Out Tag-Out (LOTO) system across all equipment at our domestic plants. We are also advancing equipment safety in stages, applying safety PLCs and verifying the normal operation of safety devices prior to work to eliminate workers' exposure to risk. All of these efforts are managed systematically through the PDCA cycle in conformity with our ISO 45001 and ISO 14001 certifications, forming the foundation for a zero-defect safety environment built on the voluntary participation of everyone from top management to on-site workers.

Improvement and Sustained-Maintenance Inspection Process

Inspection Scope	· Sustained status of corrective actions following the improvement of SHE non-conformities
Inspector	· Working-level departments: Team leaders or sub-team leaders, together with staff · SHE: One line safety manager per line, or a safety manager (facilitator)
Inspection Cycle	· Conducted one month after the completion of corrective action - In line with the established inspection system, the status of completed improvements and their sustained maintenance is inspected once daily (during patrols) · A sticker (visual indicator) is affixed following the sustained-maintenance inspection, aimed at speeding up visual inspection - Equipment with stickers can be quickly identified, while equipment without stickers remains subject to inspection
Process	· Non-conformity inspection (1st) → Improvement completed → Sustained-maintenance inspection (2nd) → Sticker affixed → Recording - Recording: Using the company-wide standard SHE non-conformity form

On-site Improvement of Health and Safety Hazards

Damaged crane sling belt



Sling belt replaced

Ladder backrest cage unsecured

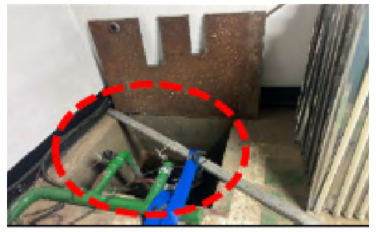
Ladder backrest cage secured

Protective Equipment Installation (guards, safety covers, etc.)

Protective railing dislodged

Protective railing reinstalled

Opening exposed



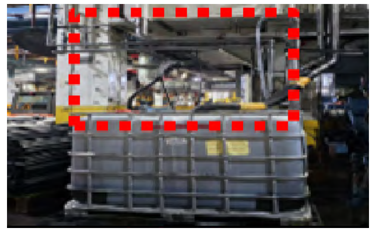
Opening cover restored

Fire Extinguishing Equipment and Combustibles Management

G/T carts stacked in front of fire hydrant

Obstructions in front of fire hydrant cleared

No fire extinguisher installed above the oil tank



Automatic diffusion fire extinguisher installed

HEALTH AND SAFETY

Safety Culture

Hankook Tire & Technology is committed to cultivating a field-driven safety culture in which every employee deeply recognizes the importance of safety and participates voluntarily. Central to this effort is our self-directed safety system that enables employees to identify hazards within their own work environments and develop corresponding prevention and management measures, ensuring that our occupational accident prevention plans are thoroughly implemented on the ground. This is reinforced by a 24-hour risk response system staffed by dedicated specialists at our risk prevention center, together with the Safety Hotline, a channel through which employees can report on-site hazards in real time and trigger immediate corrective action. Together, these mechanisms form an effective health and safety management system built on the real-time sharing of, and rapid response to, on-site risks. We have further strengthened this foundation through agreed principles such as our standardized PPE (personal protective equipment) campaign and the reinforced implementation of our Five Golden Rules, advancing toward a zero-defect safety environment in which safety stands as a shared value across our entire organization.

Health and Safety Support for Suppliers

We protect the safety of supplier employees performing core on-site tasks such as maintenance and logistics with the same regard we hold for our own employees' safety, and remain fully committed to building a mutually beneficial health and safety ecosystem for effective accident prevention. Guided by our belief that suppliers' safety capabilities are integral to our overall competitiveness, we conduct rigorous qualification assessments before contracts are signed, ensuring that only suppliers with verified safety management capabilities are permitted to operate at our sites. While work is in progress, our permit-to-work system thoroughly checks preparedness against on-site hazards in advance, and work proceeds only once all safety measures have been completed, ensuring effective safety on the ground.

In particular, we maintain active communication through our regularly convened supplier health and safety council, gathering candid feedback from the field and jointly reviewing hazards identified by suppliers to develop corrective measures. We also conduct non-routine inspections in parallel to minimize safety blind spots and strengthen risk prevention, doing our utmost to create an environment in which every worker can work with peace of mind. In particular, we hold health and safety workshops with supplier personnel, providing hands-on risk assessment practice and training on relevant regulations to deliver meaningful support for strengthening their expertise. Going forward, we will continue to draw on on-site feedback to move beyond formal system operation and deliver meaningful, on-the-ground reductions in risk.

Employee Health Management

Hankook Tire & Technology safeguards the physical and mental well-being of its employees through a wide-ranging set of health management programs. We provide a comprehensive health checkup program each year that exceeds statutory requirements, enabling the early detection and prevention of illness through significantly strengthened essential cancer screening items, including gastroscopy, abdominal ultrasound, and lung CT scans. Seven optional screening items including colonoscopy further support personalized care, and we have extended these benefits to employees' spouses, building a comprehensive benefits system that supports the healthy lives of entire families.

To prevent and address musculoskeletal disorders among field workers performing highly repetitive tasks, we meticulously assess job processes using ergonomic analysis programs and pursue engineering improvements, including on-site testing of wearable devices and equipment automation. Employees experiencing pain receive personalized rehabilitation therapy and exercise prescriptions through the combined efforts of our in-house clinic, oriental medicine practitioners, and exercise physiologists, complemented by specialized treatment equipment such as extracorporeal shockwave therapy to thoroughly prevent the progression of these conditions.

We also work to prevent heat-related illnesses during the summer months by monitoring workplace temperatures in real time on an hourly basis and maintaining optimal working conditions through continuous adjustments to our air conditioning systems. This environmental data is verified through regular measurements conducted twice a year and disclosed transparently in-house, building trust across the organization.

Beyond physical health, we have assigned in-house professional counselors to provide specialized support for job-related stress and personal concerns, complemented by a range of channels including off-site counseling visits that allow employees to access support beyond the workplace. In addition, our dedicated crisis response organization and rigorous infection prevention protocols further ensure that employees can concentrate fully on their work, even in the face of unforeseen circumstances.

Wellness Center

SUPPLY CHAIN MANAGEMENT

Governance

The highest governing body of Hankook Tire & Technology's supply chain management is the Board-level ESG Committee, which approves supplier policies and receives reports on key goals and implementation performance. Strategies and initiatives for sustainable supply chain management are deliberated annually by the ESG Strategy Committee, composed of top management. Together, the ESG Committee and the ESG Strategy Committee provide overall oversight of supply chain management and deliberate on major agenda items. Key implementation matters including the management of sustainable supply chain metrics and targets, annual initiatives, and detailed activities are addressed by the Supplier Committee composed of executives and working-level staff from procurement, ESG, materials, and other relevant functions. Through ongoing improvements to our supply chain management system, we strive to realize the vision guiding our supply chain management—building a sustainable supply chain and achieving shared growth with suppliers.

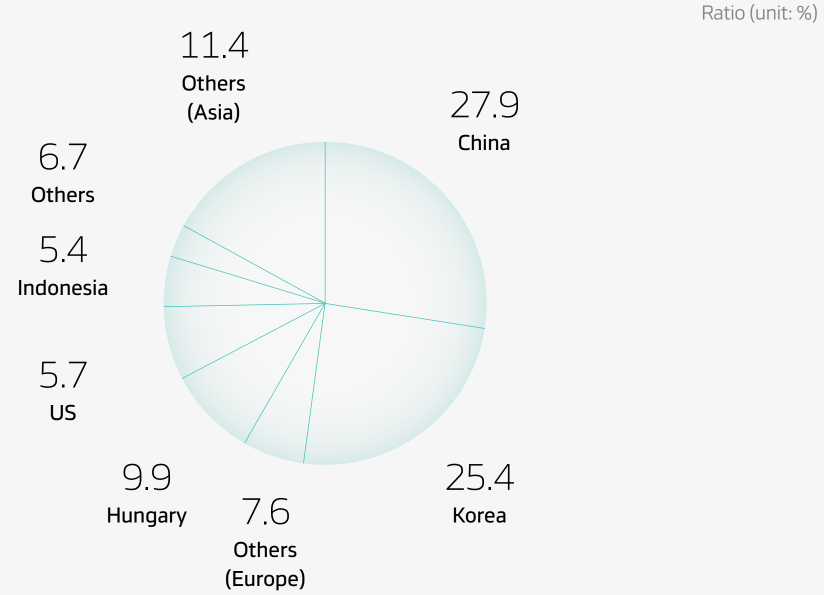
Supplier Management Process

Commitment to the Supplier Code of Conduct	· We require suppliers to annually commit to and comply with the Supplier Code of Conduct. · The Supplier Committee reviews the Code of Conduct on a regular basis and assesses alignment with newly emerging ESG requirements.
Supplier ESG Assessment and Due Diligence	· We conduct regular ESG assessments and due diligence for suppliers to identify and evaluate sustainability-related risks.
Identification and Management of Key Suppliers	· We identify suppliers with significant impact on production as key suppliers and manage them with enhanced oversight. · The list of key suppliers is reviewed and updated annually based on risk exposure and materiality.
Support for ESG Risk Improvement	· Based on assessment results, we require suppliers with elevated risks to establish and implement improvement plans and continuously monitor progress. · Where a supplier receives an ESG grade of "C" for three consecutive assessment years, we may require corrective actions and grant an improvement period of up to six months. Failure to implement required improvements may result in termination of the business relationship. · Conversely, suppliers demonstrating strong ESG performance may be granted incentives, such as higher advance payment ratios or preferential consideration in sourcing decisions.
Supplier ESG Training and Capacity Building	· We provide ESG-related training and capacity-building programs to support suppliers in strengthening their sustainability management capabilities.
Governance and Board-Level Oversight	· The Supplier Committee establishes ambitious ESG initiatives on an annual basis and reports implementation plans and performance outcomes to the Board of Directors. · Key issues arising from procurement and supply chain activities are also reported to the Board to ensure effective oversight and shared responsibility.

Percentage of Suppliers Which Received ESG Assessments

432	100%
Total number of suppliers	ESG assessment completion rate

Breakdown of Procurement Spend by Country



SUPPLY CHAIN MANAGEMENT

Policy

Hankook Tire & Technology views sustainable supply chain management Hankook Tire & Technology recognizes the importance of sustainable supply chain management. We work to minimize supply chain risks through a range of policies and collaborate closely with our suppliers to build a sustainable supply chain. Our Global Sustainable Purchasing Policy establishes the standards that purchasing personnel must uphold, spanning ethics, confidentiality and information security, respect for human rights, and grievance handling. Our Supplier Code of Conduct sets out the sustainability principles that suppliers must observe and honor, and we further embed these principles in supplier contracts to encourage compliance. In 2025, we revised this policy to reflect emerging supply chain issues and trends, reaffirming our commitment to managing ESG risks systematically across the supply chain and to building a stronger foundation for sustainable, shared growth with our suppliers.

Supplier Communication

Supplier Communication

A sustainable supply chain depends on transparent information sharing and continuous engagement with suppliers across multiple channels. To this end, we maintain close, ongoing contact with our suppliers, unconstrained by time or location. In 2025, we strengthened our solid partnerships by complementing regular supplier meetings with briefings on our investment plans and key initiatives, giving suppliers deeper insight into our business strategy.

Working with Suppliers towards Carbon Neutrality

As part of our commitment to achieving carbon neutrality, we deliver carbon neutrality training and share emerging trends with suppliers each year. Our annual raw material supplier carbon neutrality survey, designed to track carbon neutrality implementation across the supply chain, yielded a response rate of over 80% in 2025. We will conduct a close analysis of the findings and take proactive steps to address areas for improvement identified.

Supplier ESG Assessment

Mandating Supplier ESG Self-Assessments

Every year, Hankook Tire & Technology requires suppliers to complete an ESG self-assessment, enabling them to evaluate their own ESG performance and collaborate with us to address any gaps identified. The assessment spans six domains aligned with global ESG standards: human rights and labor, business ethics, health and safety, environment, sustainability, and supplier management. We annually apply this self-assessment consistently across all suppliers with whom we do business, and extend it to new suppliers through pre-screening to identify potential risks before they materialize. Where suppliers score low, we require them to implement improvement plans, thereby reinforcing the trust and stability that underpin our supplier relationships.

Supplier On-Site Audit

In 2025, we made meaningful progress toward establishing a systematic approach to supplier on-site audits, sustaining this effort throughout the year. Looking ahead to 2026, we will intensify our monitoring of the regulations governing supplier due diligence as we build an audit framework that satisfies both society's growing expectations for supply chain management and the demands of regulatory compliance. This focus is expected to strengthen the sustainable supply chain connecting us to customers around the world, while further solidifying healthy, enduring partnerships with our suppliers.

Supplier ESG Assessments Conducted in 2025

Total number of suppliers	432 companies (239 raw material, 180 machinery, 13 subsidiary material suppliers)
Percentage of suppliers which received ESG assessments	100%

Supplier Training and Improvement Support

Three to four times a year, Hankook Tire & Technology shares its ESG insights with suppliers through the ESG Letter, a communication conveying key ESG information and the latest trends. In 2025, we extended support to small and medium-sized suppliers through the SPARK Program of the UN Global Compact (UNGC), of which we are a member, helping them understand global sustainability requirements and build their ESG capabilities. Participating suppliers developed their own ESG strategies and received practical training addressing key sustainability priorities, including greenhouse gas emissions management business and human rights, and governance and anti-corruption strategy. Looking ahead, we will continue expanding our training offerings to further strengthen suppliers' ESG capacity.

SUSTAINABLE RAW MATERIAL SOURCING

Raising the Share of Sustainable Materials

Increasing the Percentage of Raw Materials Sourced from Suppliers Rated A in ESG Assessments

Hankook Tire & Technology pursues shared growth with suppliers that demonstrate excellence in ESG management. Our 2025 supplier evaluation found that suppliers rated A in ESG assessments accounted for 57.3% of total raw material suppliers, a result that reflects our progress in building a sustainable supply chain alongside highly rated material suppliers, establishing competitive transactional relationships along the way.

2025 Raw Material Supplier Assessment Results

Total number of suppliers assessed	239 companies
Suppliers rated A (90 points or higher) in ESG assessment	137 companies

Program Implementation

Sustainable Natural Rubber Sourcing and Traceability Management

As a founding member of the GPSNR (Global Platform for Sustainable Natural Rubber), Hankook Tire & Technology remains firmly committed to the sustainability of the natural rubber supply chain. Our Sustainable Natural Rubber Policy, established in 2018 and disclosed on our corporate website, has since been progressively strengthened to incorporate the GPSNR's Policy Components, forming the basis of our responsible raw material sourcing system. Supply chain ESG assessments aligned with GPSNR standards allow us to verify suppliers' regulatory compliance and evaluate their environmental and social impact, advancing sustainable natural rubber sourcing in the process.

Our recent efforts have centered on ensuring the consistency and visibility of supply chain information management to secure sustainable raw materials. In 2025, we established a structure for collecting natural rubber origin data through G.HePS, enabling a more systematic understanding of raw material flows across the supply chain. Building on this system, we intend to improve the accuracy of raw material data and broaden its scope of application in 2026, bolstering the transparency of the natural rubber supply chain in a phased manner. Taking into account international requirements such as the EUDR and CSDDD, we will continue to enhance origin data management and traceability step by step, working in close partnership with suppliers to further elevate our sustainable raw material sourcing system.

Project Operation

Supporting a Sustainable Natural Rubber Supply Chain

Hankook Tire & Technology continues to deepen collaboration with smallholder farmers to build a sustainable natural rubber supply. Moving beyond our participation in a blockchain-based traceability project, we partnered with key suppliers in 2026 to launch a hands-on, field-based program designed to improve productivity and quality among local smallholder farms. Together with leading natural rubber suppliers in Indonesia, we delivered a range of support activities across 381 hectares of farmland. This included providing 1,000 kg of NPK fertilizer and 2,500 liters of formic acid coagulant to boost rubber yields and stabilize quality, as well as distributing 200 tapping knives to 200 smallholder farmers to improve the efficiency of their harvesting operations. We further conducted hands-on training workshops led by local experts, passing on farming techniques and management know-how essential to producing high-quality natural rubber. In doing so, we moved beyond material support alone—strengthening farmers' self-sufficiency and laying a foundation for long-term productivity gains.

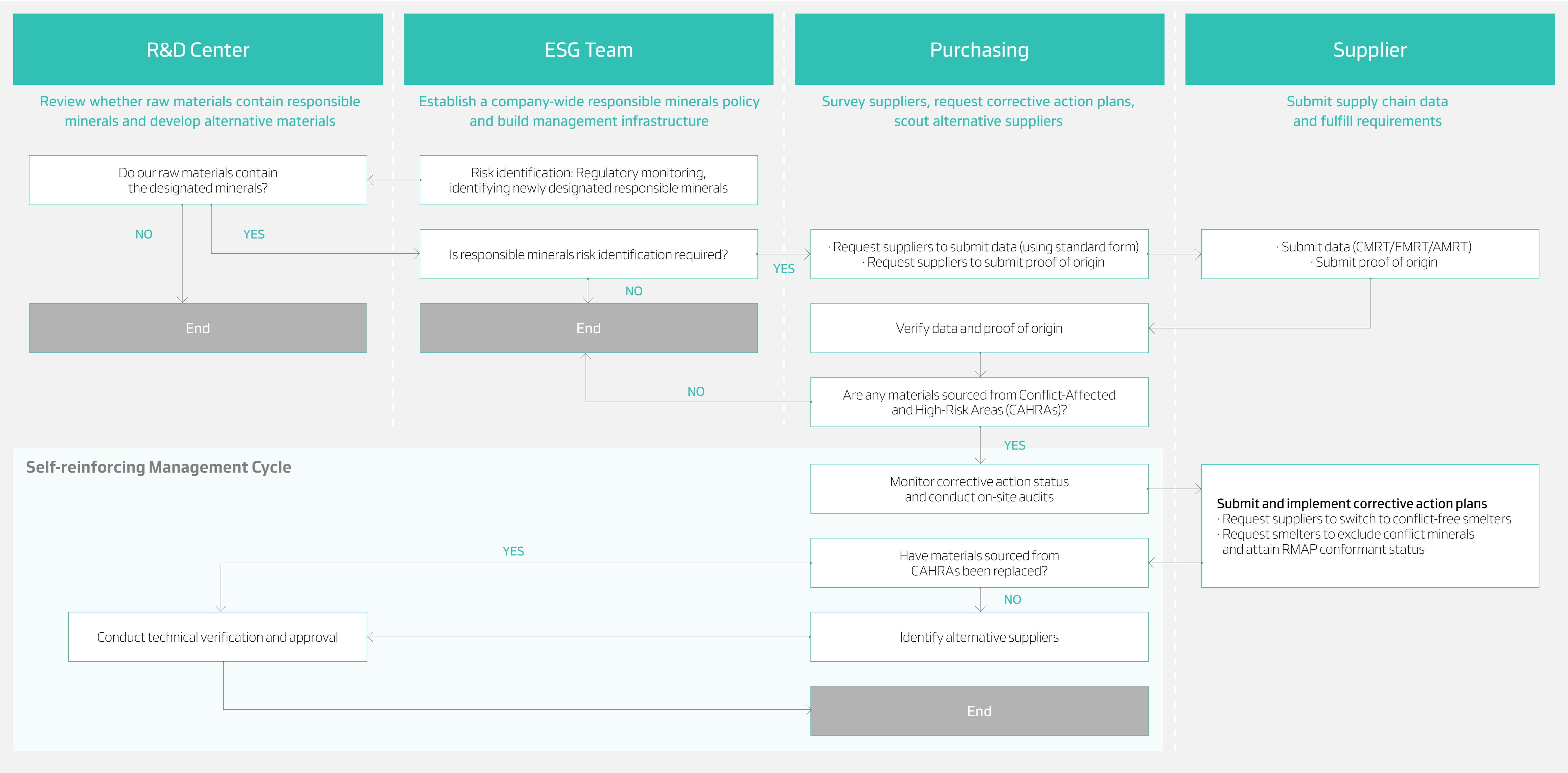
We also contribute to the natural rubber industry's broader sustainability agenda supporting joint investment and collaboration through the GPSNR's Shared Investment Mechanism (SIM). Structured as a shared responsibility fund, SIM tackles industry-wide challenges from supporting smallholder farmers and protecting forests to strengthening transparency across the supply chain. Working alongside a broad coalition of stakeholders, this mechanism reinforces our commitment to responsible natural rubber sourcing—a commitment made even more significant by its direct, hands-on model of corporate participation. Looking ahead, we will continue advancing supply chain sustainability while playing an instrumental role in building a truly sustainable natural rubber ecosystem, taking a multi-layered approach that aligns with global collaborative initiatives.

RESPONSIBLE MINERALS

Governance

At Hankook Tire & Technology, responsible sourcing is underpinned by close collaboration across R&D, purchasing, and ESG—a cross-functional process designed to embed continuous monitoring and corrective action into a self-reinforcing cycle that safeguards supply chain integrity.

Responsible Sourcing Implementation



RESPONSIBLE MINERALS

Policy and Standards

Guided by international standards, Hankook Tire & Technology maintains a responsible minerals sourcing policy that categorically excludes raw materials sourced from conflict-affected areas or high-risk regions—CAHRAs (Conflict-Affected and High-Risk Areas)—associated with human rights violations and environmental destruction.

Responsible Minerals Sourcing Policy

Global guidelines	We exercise due diligence across our supply chain in accordance with the OECD Due Diligence Guidance and the standards of the Responsible Minerals Initiative (RMI).
Supplier compliance obligations	All suppliers are required to transparently disclose smelter information at least once a year through CMRT/EMRT submissions, and expand transactions with RMAP (Responsible Minerals Assurance Process) conformant smelters.
Ethical sourcing practices	Where unethical sourcing is identified, we move immediately to transition to alternative supply sources, with the goal of establishing a lasting culture of sustainable sourcing.

Scope of Application

Hankook Tire & Technology defines the scope of its raw material management around the materials used in tire manufacturing and performance enhancement, drawing on international standard reporting templates to ensure transparency across the supply chain. Rather than confining our oversight to the four conflict minerals (3TG), we have progressively broadened this scope to encompass key minerals identified as carrying human rights and environmental risks. Given the structural characteristics of our products, we have further designated core raw materials with a high likelihood of containing responsible minerals as tire-specific priority items subject to focused management. Geographically, our management scope extends to CAHRAs defined under OECD and EU regulations worldwide, including the Democratic Republic of the Congo (DRC) and its nine adjoining countries. To prevent the inflow of unethically sourced minerals from these regions, we trace materials down to the smelter level.

Scope of Raw Materials Management

3TG (CMRT)	Tin, Tantalum, Tungsten, Gold
Expanded minerals (EMRT)	Cobalt, mica, and other responsible minerals potentially contained in tire raw materials and parts
Other responsible minerals (AMRT)	Copper, Aluminum, Nickel, and other additional minerals requiring management of potential supply chain risks

Tire-specific Priority Items

Metal reinforcement	Tin plating applied to bead wire and steel cord to enhance corrosion resistance
Chemical materials	Trace amounts of responsible mineral components used in the manufacturing and processing of tire compounds

PRODUCT RESPONSIBILITY

Governance

To meet the needs of an increasingly diverse customer base, Hankook Tire & Technology upholds a rigorous, company-wide quality management framework. In pursuit of best-in-class customer satisfaction, we are accelerating the digital transformation of our proprietary Hankook Quality System guided by a customer-centric philosophy of quality innovation. Notably, we are advancing our data-driven quality management powered by artificial intelligence (AI). This ensures that our products and services are designed and produced to meet customer expectations and intended use conditions and to faithfully comply with all relevant laws and regulations, which is validated through our process-level pre-/post-sales service system. Leading this effort is our quality organization structured with the independence and expertise to provide balanced quality checks and support across all relevant functions.

Policy

In pursuit of Global First Tier quality competitiveness, Hankook Tire & Technology operates a rigorous quality management system and continues to drive ongoing innovation across its quality practices. This commitment is reflected in strong external recognition: in 2025, we ranked first for the 17th consecutive year in the automotive tire category of the Korea Standard-Quality Excellence Index (KS-QEI), the nation's most prestigious quality satisfaction index. We also maintain ISCC PLUS, the first certification of its kind obtained in the industry, and lead the EV tire market through our dedicated EV tire brand, iON. On the global stage, we serve as the exclusive EV tire supplier and official partner of the ABB FIA Formula E World Championship, one of the world's foremost EV racing series, and since 2025 have taken on the role of exclusive sponsor of the FIA World Rally Championship (WRC)—a role that continues to reinforce the premium image of the HANKOOK brand worldwide.

Strategy

At Hankook Tire & Technology, quality is the foundation of how we engage with customers and the starting point for every innovation we pursue. Looking ahead, our employees across the organization will continue to place quality above all else, drawing on a culture of sustainable quality innovation to build the HANKOOK brand into one of the world's most trusted, top-tier names.

Quality Improvement Initiatives

To ensure consistent quality across every stage from product development through to customer service, Hankook Tire & Technology has built an innovative quality assurance infrastructure. Sustained investment in strengthening this infrastructure continues to raise the level of quality uniformity across our manufacturing processes. Underpinning this is our commitment to Global One Quality: uniform quality standards upheld consistently across our production sites worldwide. To this end, we are re-establishing our standardization framework and cultivating an organizational culture in which communication extends all the way down to the shopfloor.

KS-QEI ISCC International Sustainability & Carbon Certification WRC FIA WORLD RALLY CHAMPIONSHIP

COMMUNITY ENGAGEMENT

Governance

Social contribution stands as a core pillar of sustainability management at Hankook & Company Group, with its direction and key outcomes overseen by ESG-related committees under the Board of Directors. At the executive level, we review our corporate philanthropy strategy, annual priorities, and the performance and improvement needs of our flagship programs; the ESG Team, in turn, oversees the progress and performance of implementation tasks, along with the planning, operation, and performance management of our signature programs. Beyond this, our operational sites and relevant departments across Korea and overseas engage in corporate philanthropy activities tailored to the needs of their local communities.

Organizational Chart for Corporate Philanthropy

Board of Directors	Oversee the strategic direction and key outcomes of social contribution initiatives
Top management	Oversee the strategic direction and key outcomes of social contribution initiatives
ESG Team	Plan and manage programs
Sites, subsidiaries, and relevant departments	Implement activities and compile performance data

Policy

Guided by its Social Contribution Charter, Hankook & Company Group is committed to fulfilling its corporate social responsibility and building a sustainable future together with local communities. Toward this end, the Group directs the capabilities and resources built up through its business operations into the creation of social value, supporting neighbors and communities in need so that they can lead better lives. Underpinning this work is a foundation of trust with local communities, through which we continue to expand voluntary employee participation and advance giving initiatives designed with vulnerable groups and future generations in mind. Looking ahead, we will continue to uphold the principles of the Social Contribution Charter, fulfilling our role as a responsible corporate citizen that grows in step with local communities.

Strategy

With the launch of "Driving Forward, Together," its integrated group ESG brand, Hankook & Company Group has articulated a clear identity: a mobility group that opens up mobility for everyone, connecting people, communities, and the environment in pursuit of sustainable social value. Drawing on the Group's capabilities and resources, Hankook Tire & Technology has set Mobility, Community, and Environmental as the three strategic pillars for corporate philanthropy, each guided by a corresponding execution principle— Access, Care, and Renew —that brings structure to its social impact initiatives. Access is about ensuring safe, equitable access to mobility, information, and services, brought to life through mobility-rights initiatives such as our vehicle sharing program and efforts to improve safety around children's school zones. Care reflects our sustained commitment to addressing the challenges facing local communities, demonstrated through shared-growth initiatives such as year-end giving campaigns and charity concerts. Renew centers on the restoration and regeneration of the environment, resources, and ecosystems, advancing environmental value through initiatives such as mangrove forest restoration and biodiversity conservation. Looking ahead, Hankook & Company Group will continue to align its business capabilities with social contribution efforts, evolving mobility-based social contribution into a forward-looking model built on advanced technology, driving sustainable change together with local communities.

Vehicle sharing donation ceremony

Employee-Driven Giving

Employee Engagement
Participatory Giving That Grows with Employees

What began as volunteer circles run independently at individual plants has since evolved into a company-wide initiative: the Donggeurami Employee Volunteer Group. Anchored by this group, we have steadily broadened the scope and strengthened the continuity of employee-driven corporate philanthropy, building a corporate culture in which giving and volunteering are woven into daily life, while extending positive change into the communities we serve. In 2025, our global employee volunteer hours reached 23,423, a 67.0% increase year-on-year, and we are working to expand participation further still, with a target of 25,000 hours by 2030.

Our core volunteer activities have continued without interruption: mural painting in which employees and their families repaint the walls and fences of social welfare facilities; talent donation in sports for children from vulnerable groups; hands-on care services for neighbors with limited mobility; support through lunch boxes and side dishes; winter kimchi-sharing; and blood donation campaigns. In 2025, growing voluntary participation led by our in-house clubs pushed the boundaries of this work further, extending our volunteer efforts into marine environment cleanups where employees collected marine debris such as waste tires and plastics by hand. In this way, employee volunteering at Hankook Tire & Technology has grown beyond community care to encompass the practice of promoting environmental value.

COMMUNITY ENGAGEMENT

Employee-Driven Giving

Our employee-driven volunteering continues across our overseas operations as well. In Hungary, we have advanced a series of community-focused projects under the "KÖSZ, Hankook!" (Thanks, Hankook!) program, helping children from vulnerable groups prepare for the new school term and improving the conditions of local playgrounds. These efforts were recognized with a community contribution award at a local CSR awards ceremony. At China Headquarters, employees partnered with local government agencies on community development initiatives, upgrading resident rest areas and children's play spaces, while separately carrying out volunteer activities that supported sponsored children through traditional cultural experiences and helped improve housing conditions for vulnerable households. Our Indonesia Plant sustained hands-on volunteer efforts spanning free nutritious meals, educational mentoring, and mangrove forest restoration, contributing to both improved local living conditions and broader environmental protection.

Corporate Philanthropy Outcomes

Community Growth Support
Driving Sustainable Growth with Local Communities

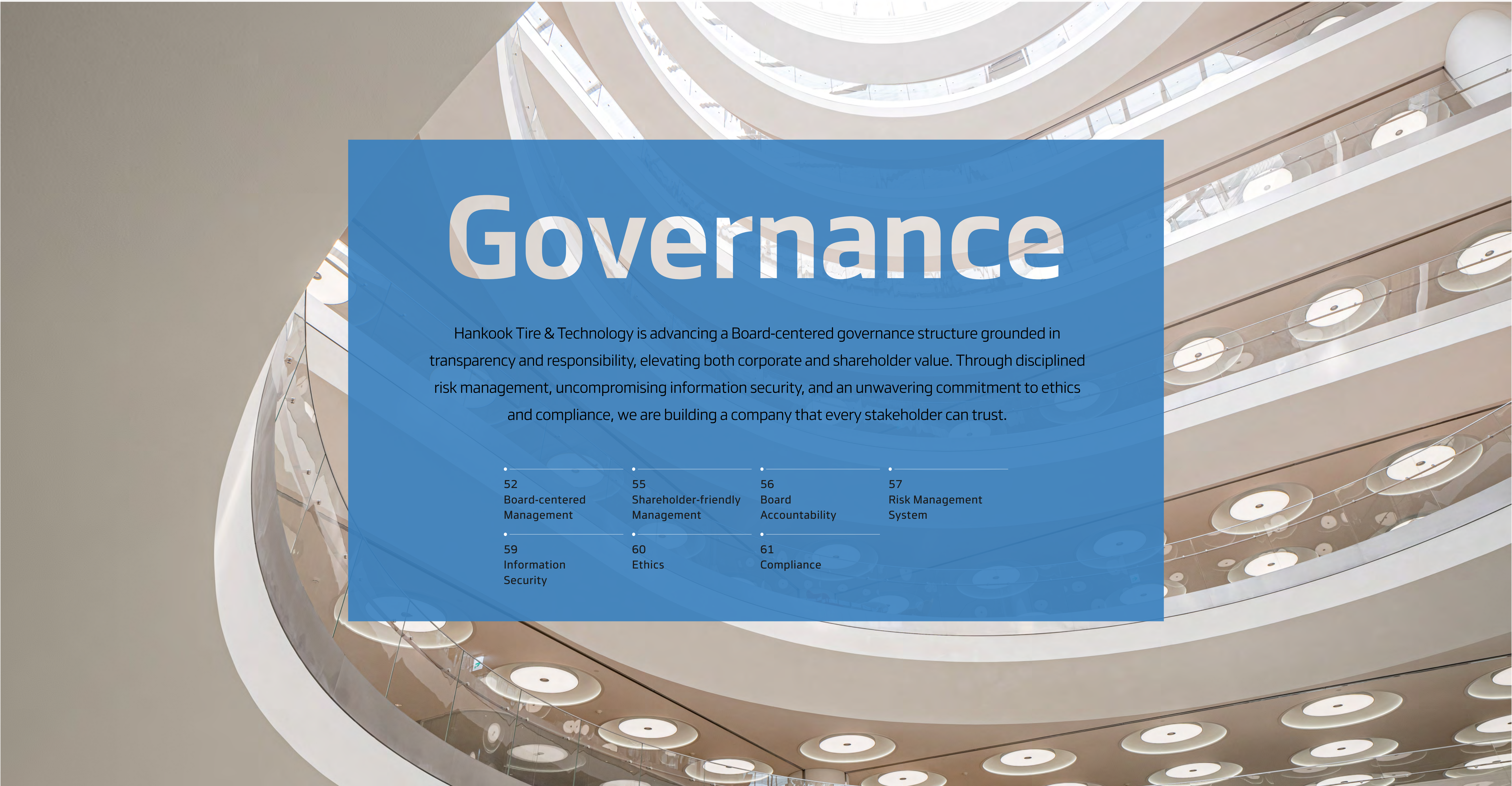
As a responsible member of the communities that host its operations, Hankook Tire & Technology continues to undertake a broad range of corporate philanthropy initiatives in support of local vulnerable groups and community co-prosperity. Nowhere is this more evident than in Daejeon and Geumsan, home to our R&D Center and plants, where we work closely with local communities to build a sustainable, mutually beneficial relationship.

In Daejeon, our programs centered on helping underprivileged residents restore a sense of normalcy in daily life, expanding access to cultural experiences, and strengthening community solidarity. Through our cultural performance attendance program for senior citizens in Sintanjin, we gave local seniors the opportunity to enjoy cultural performances and leisure activities, contributing to their emotional well-being. We also held the “Let’s Go on a Picnic” Hope Sharing Camp, where children from social welfare facilities enjoyed camping and hands-on activities while developing emotional well-being and social skills. In addition, we sponsored a seaside outing program for foreign residents, helping them engage directly with Korea's natural environment and culture while deepening their connection to the local community. We also hosted our appreciation concert, extending our gratitude to those who have practiced giving throughout the community, and creating a space where local residents could connect and find common ground through music and arts.

Across Geumsan, our corporate philanthropy activities were tailored to the needs of a wide range of local community members—children, survivors of gender-based and domestic violence, seniors living alone, and other vulnerable groups—strengthening the community's broader welfare safety net in the process. To mark Children's Day, we supported the Geumsan Children's Festival, creating an experiential cultural event where local children and families could come together. Through our sponsorship of the Geumsan Integrated Counseling Center for Sexual and Domestic Violence, survivors of sexual and domestic violence were able to receive protection, counseling, and recovery support in a more stable environment. We further sponsored a companionship and conversation care service and a side dish delivery service, pairing daily living support with emotional care for vulnerable groups, while sustaining our community-based welfare efforts through initiatives such as a tteokguk sharing program for local senior centers and the Hope Sharing Pantry, which supplies daily necessities to low-income households. In Taean, where our Techno Ring is located, we ran the Happy Nam-myeon Community Giving Campaign to spread a culture of giving in partnership with the local community. This initiative, through the voluntary participation and interest of local residents, amplified the impact of giving and reinforced the foundation for community solidarity in support of vulnerable groups.

Our global operations were no less active, with corporate philanthropy activities customized to the distinct characteristics and needs of each local community. China Headquarters continued to broaden its foundation for co-prosperity with local communities through joint traffic and fire safety campaigns; a participatory science education program built around basic tire knowledge; support for local public facilities; the distribution of daily necessities to vulnerable groups; scholarships and educational support; and initiatives to improve rural and housing environments. Our Indonesia Plant advanced social giving spanning health, education, and the environment, including tire donations to public institutions, the installation of water pumps and water tanks, support for LED street lighting, free healthcare services, support for educational facilities, and mangrove restoration. Our Hungary Plant sustained a diverse set of welfare programs, from tire donations and support for educational equipment and digital learning tools to hospital equipment donations, school supplies for children, sponsorship of family support centers, and emergency relief, alongside its support for local festivals and road safety initiatives. North America Headquarters, through its donation to the Tennessee Wings of Liberty Museum, including support for the Korean War exhibit, helped build educational and cultural infrastructure that further strengthened exchange and co-prosperity with the local community.

Collectively, these efforts reflect how Hankook Tire & Technology integrates and advances mobility-based corporate philanthropy, employee-driven volunteering, and co-prosperity programs with communities at home and abroad, guided by the Group's ESG direction and the nature of its business. Looking ahead, we will continue to spread inclusive, sustainable value through corporate philanthropy efforts that connect people, communities, and the future.



Governance

Hankook Tire & Technology is advancing a Board-centered governance structure grounded in transparency and responsibility, elevating both corporate and shareholder value. Through disciplined risk management, uncompromising information security, and an unwavering commitment to ethics and compliance, we are building a company that every stakeholder can trust.

BOARD-CENTERED MANAGEMENT

Role and Responsibility

Board-centered Governance
Sound governance underpins Hankook Tire & Technology's efforts to protect the rights of shareholders and all other stakeholders, and to advance transparent, reasonable business conduct. At the center of this governance sits an independent, diverse, and professional Board of Directors, supported by the Board's committees in ensuring that decisions are made transparently and with due expertise. Our management philosophy and our commitment to Board-centered sustainability management are specified in the Articles of Incorporation, BOD regulations, and the Corporate Governance Charter—together forming the foundation for our governance principles and policies.

To strengthen ESG management, we established the ESG Committee under the Board of Directors in 2021. The Committee reviews and deliberates on strategic direction and key matters across the three pillars of Environmental, Social, and Governance in support of the company's sustainable growth. Reflecting the weight we place on ESG, the Committee is attended by all Board members, with independent directors comprising its majority. The Committee has been chaired by Doo Cheol Moon, an independent director, since the end of March 2024.

In 2022, we established and announced the Corporate Governance Charter, embodying our commitment to building transparent, advanced governance. The Charter covers corporate governance principles, the independence of the Board and the Audit Committee, and shareholder and stakeholder rights and engagement, serving as a guideline for our ESG management. The following year, we introduced the Code of Ethics for Independent Directors, clarifying the responsibilities and principles independent directors are expected to uphold and ensuring they help lead ethical business conduct and shape a sound corporate culture. We also introduced a Board evaluation system to reinforce transparent governance and strengthen the effectiveness of Board operations. Since then, we have conducted annual self-assessments covering the overall operation and independence of the Board, as well as the competencies of independent directors. This process enables us to confirm the Board is faithfully fulfilling its role as a key decision-making body while continuously refining its operational method and process.

In 2025, the Board approved a mid- to long-term plan aimed at further strengthening its independence, expertise, and diversity. To build governance that aligns with corporate governance best practices, we introduced Guidelines on the Independence, Expertise, and Diversity of Independent Directors, and are currently advancing a Board Skills Matrix (BSM) alongside a peer evaluation of independent directors. We also established a new Compensation Committee under the Board, enhancing the objectivity and transparency of the director remuneration determination process.

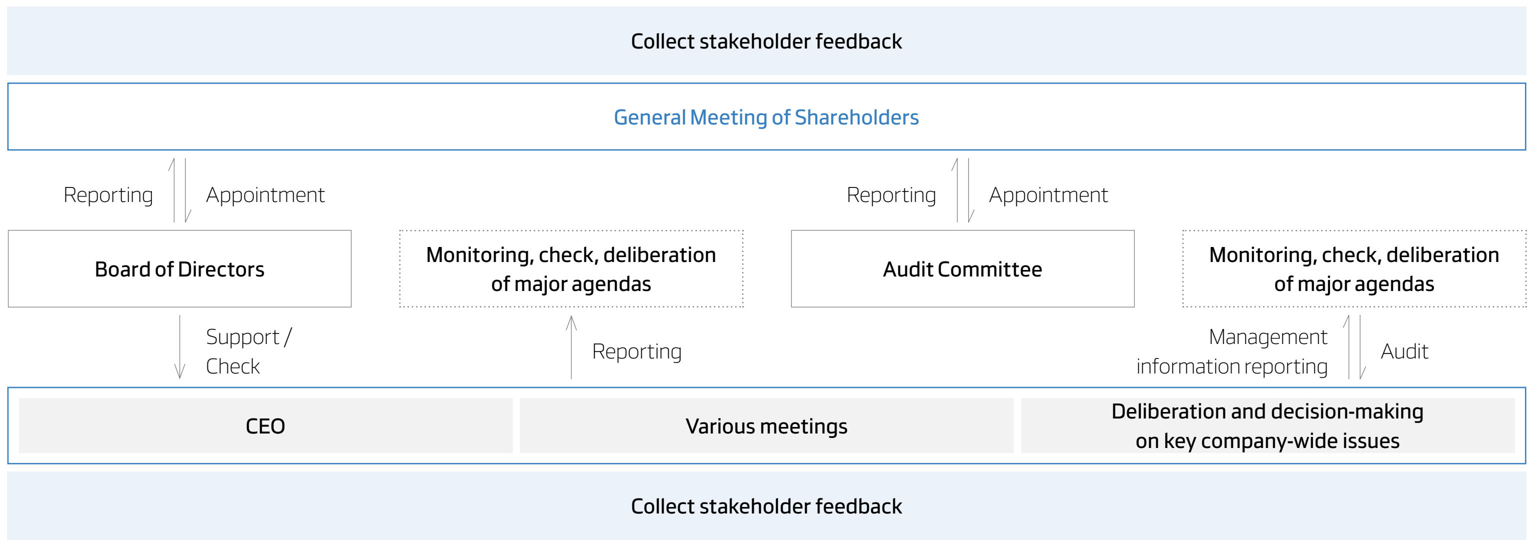
To embed ESG into our day-to-day work, eight ESG Steering Committees are under operation, each organized around a distinct focus area. The Governance Committee among them establishes the roadmap for advancing our governance structure, and reviews and implements detailed action plans. Its outcomes are reported to the ESG Strategy Committee comprising our top management, and key activities are briefed to the ESG Committee, our highest ESG decision-making body.

Board-centered Decision-Making Process
The Board of Directors stands the highest decision-making body governing Hankook Tire & Technology's business operations, in pursuit of sustained profit generation and growth based on mutual checks and balances among the Board, management, and shareholders. To ensure that the diverse perspectives of stakeholders are reflected in the decision-making of top management, we facilitate open discussion and communication across our various governing bodies, identifying key initiatives and directing them toward tangible outcomes.

Under our BOD regulations, the Chair of the Board is appointed from among directors by resolution of the Board. In March 2025, the Board appointed Jong Gap Kim, an independent director, as Chair, reinforcing governance transparency and the independence of the Board. By separating the roles of Board Chair and CEO and appointing an independent director to preside over the Board, we have strengthened the Board's independence and the transparency of our operations, while further reinforcing a Board-centered accountable management.

Guided by the management philosophy set forth in the preamble of the Articles of Incorporation, the Board advances Hankook Tire & Technology's corporate culture and elevates the value of the "Hankook" brand. As the company's permanent, highest standing decision-making body, the Board makes decisions with a majority of directors in attendance and a majority of those present voting in favor, except as otherwise provided by applicable law or the Articles of Incorporation. The Board's authority extends to major corporate matters, including the execution of significant contracts and the development and approval of business plans. Since 2021, the Board Secretariat has operated to reinforce Board-centered accountable management and provide systematic support for the effective functioning of the Board and its committees.

Management Decision-Making Process



BOARD-CENTERED MANAGEMENT

Composition of the Board

Composition of the Board of Directors

As of the end of March 2026, the Board of Directors of Hankook Tire & Technology consists of eight members—three executive directors and five independent directors. All independent directors maintain independence from the company, its management, and major shareholders, and have no conflicts of interest. Building on the Guidelines on the Independence, Expertise, and Diversity of Independent Directors approved by the Board in 2025, we continue to strengthen Board capabilities and enhance its independence.

Board Independence

To strengthen the transparency and independence of the Board, we maintain independent directors as a majority of the Board and keep the roles of Board Chair and CEO separate. Directors are ultimately appointed at the general meeting of shareholders, with executive directors nominated through the Board and independent directors nominated through the Independent Director Candidate Recommendation Committee, in accordance with transparent and fair procedures. Directors serve three-year terms and may be reappointed; however, pursuant to applicable law, independent directors may not serve more than six years at any single company, or nine years inclusive of affiliates. As of the Board constituted following the 14th general meeting of shareholders in late March 2026, the average tenure of our directors stood at two years and one month.

Where a director's seat falls vacant, it is filled individually at the general meeting of shareholders, and the composition of the Board complies with the Commercial Act and other applicable laws. Independent directors may not be appointed where they meet any statutory disqualification criteria for independence, and shall forfeit their position should such criteria arise during their term. To safeguard the independence of directors, we review disqualification criteria under applicable law, and the Independent Director Candidate Recommendation Committee conducts a prior review to confirm that independence requirements have been met.

Disqualification Criteria for Directors' Independence

① Directors, executive directors, or employees who engage in regular company business, or directors, auditors, executive directors, and/or employees who have engaged in the regular business of the company within the past two years
② Largest individual shareholder, his/her spouse, or immediate ascendants/descendants
③ If the largest shareholder is a corporation, directors, auditors, executive directors, or employees of the corporation
④ Spouse and/or immediate ascendants/descendants of directors, auditors and executive directors
⑤ Directors, auditors, executive directors or employees of the parent of the company or of a subsidiary of the company
⑥ Directors, auditors, executive directors, or employees of a corporation which has significant interest, including a business relationship, with the company
⑦ Directors, auditors, executive directors, or employees of another company for which directors, executive directors and employees of the company serve as directors or executive directors

* In conformity with Korea's Commercial Act, Fair Trade Act, and other relevant laws

Review of Independent Director Independence Requirements[1)]

Requirement	Jong Gap Kim	Young Jae Kang	Ho June Chang	Sung Kwon Han	Doo Cheol Moon
The director must not have been employed by the company in an executive capacity within the last five years.	○	○	○	○	○
The director must not have a family member who accepts any payments from the company or any parent or subsidiary of the company in excess of USD 60,000 within the last three years.	○	○	○	○	○
The director must not have a family member of an individual who is employed by the company or by any parent or subsidiary of the company as an executive officer.	○	○	○	○	○
The director must not be an advisor or consultant to the company or a member of the company's senior management	○	○	○	○	○
The director must not be affiliated with a significant customer or supplier of the company.	○	○	○	○	○
The director must not have a personal services contract(s) with the company or a member of the company's senior management.	○	○	○	○	○
The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.	○	○	○	○	○
The director must not have been a partner or employee of the company's external auditor over the past three years	○	○	○	○	○
The director must not have any other conflict of interest that the Board determines to indicate they can't be considered independent.	○	○	○	○	○

1) In alignment with the criteria adopted by the Dow Jones Sustainability Indices

Board of Directors

Director	Name	Gender	Position	Career
Executive director	Jong Seon Ahn	Male	· Co-CEO and President of Hankook Tire & Technology · Member of the Management Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the ESG Committee	- Current) Co-CEO and President of Hankook Tire & Technology (and Head of Management Innovation Headquarters) - Former) CEO and President of Hankook & Company (and Head of ES Business Headquarters) - Former) COO and President of Hankook & Company (and Head of ES Business Headquarters) - Executive Director of Construction Machinery BG Doosan Infracore - Executive Director of Planning and Coordination Office Doosan Infracore - Executive Director of AM/PS Sales Headquarters Doosan Infracore - Vice President and Head of Heavy Business Group (BG) Doosan Infracore
	Sang Hoon Lee	Male	· Co-CEO and President of Hankook Tire & Technology · Chair of the Management Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the ESG Committee	- Current) Co-CEO and President of Hankook Tire & Technology (and Head of Marketing Headquarters) - Former) Executive Vice President, Head of Europe Headquarters, Hankook Tire & Technology - Former) Senior Vice President, Head of China Regional Headquarters, Hankook Tire - PC/LT Sales Department Director at Hankook Tire China Headquarters
	Jeong Soo Park	Male	· Member of the Management Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the ESG Committee	- Current) Senior Vice President, Head of Finance & Accounting Division, Hankook Tire & Technology - Current) Senior Vice President, Head of Financial Planning Office, Hankook & Company - Vice President, Head of Finance & Accounting Department, Hankook Tire & Technology
Independent director	Jong Gap Kim	Male	· Chair of the Board · Member of the ESG Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the Internal Transaction Committee · Member of the Compensation Committee	- Representative, Deutsche Bank Seoul Branch - Executive, Citibank Seoul Branch - Barclays Bank, Seoul Branch
	Young Jae Kang	Male	· Chair of the Internal Transactions Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the ESG Committee · Member of the Compensation Committee	- Current) CEO, Investment Division, ENSL Partners - Co-representative, KOISRA Seed Partners (KSP) - CEO, Hite Jinro Beverage - Vice President, Hite Jinro
	Ho June Chang	Male	· Member of the Internal Transactions Committee · Member of the ESG Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the Compensation Committee · Member of the Audit Committee	- Current) Chief Executive Officer, ReFine - Head of Retail Banking Group and Senior Executive Vice President, Standard Chartered Korea - Head of Retail Banking Division and Executive Vice President, Standard Chartered Korea - Head of Wealth Management Division and Managing Director, Standard Chartered Bank Korea - Head of Deposit Products Team and Deputy Managing Director, Standard Chartered Bank Korea - Director, PB Business Team, Standard Chartered Korea - Team Leader, Management Strategy Team, Accenture - Management Strategy Consultant, McKinsey & Company
	Sung Kwon Han	Male	· Chair of the Independent Director Candidate Recommendation Committee · Chair of the Compensation Committee · Member of the ESG Committee · Member of the Audit Committee	- Current) Independent director of Iljin Hysolus - Current) Full-time Advisor of SK On - Vice Chairman of Hyundai Motor Chung Mong-Koo Foundation - President, Commercial Business Division, Hyundai Motor Company - Director of Hyundai Motor Group Human Resources Development Center - Vice President, Human Resources Support, Planning and Coordination Office, Hyundai Motor Group - Executive Director, Human Resources Support, Planning and Coordination Office, Hyundai Motor Group
	Doo Cheol Moon	Male	· Chair of the Audit Committee · Chair of the ESG Committee · Member of the Independent Director Candidate Recommendation Committee · Member of the Compensation Committee	- Current) Professor of Accounting, Yonsei University School of Business - Current) Director, Center for Sustainability Management, Yonsei University - Current) Vice President, Korean Accounting Association - Current) Public Interest Member, Win-Win Growth Committee - Current) Member, Asset Management Committee, Korea Teachers' Pension - Current) Member, Financial Structure Improvement Committee, Korea Gas Corporation - Current) Independent Director, LG Display - Current) Independent Director, Hankook Tire & Technology - President, Korea Academic Society of Small Business Management - Member, Public Institution Management Evaluation Committee, Ministry of Economy and Finance - Professor, State University of New York at Old Westbury (USA)

BOARD-CENTERED MANAGEMENT

Composition of the Board

Board Diversity Policy

In composing the Board, Hankook Tire & Technology takes into account diversity indicators such as gender, age, nationality, and career background, in support of reasonable decision-making and the integration of wide-ranging stakeholder perspectives. Directors are expected to represent the rights and interests of all shareholders and stakeholders in a balanced manner, and hold equal standing regardless of gender, age, religion, or race. We are particularly mindful of avoiding a Board composed of a single gender, and seeks instead to maintain balance through directors who bring diverse backgrounds and experience. At the 14th annual general meeting of shareholders held on March 26, 2026, however, the female independent director candidate nominated by the company withdrew for personal reasons, leaving the Board temporarily composed of a single gender. In our view, Board diversity remains an important driver of corporate value, and we intend to continue working toward enhanced diversity through the appointment of a qualified female director at a future general meeting of shareholders

Expertise of the Board

Hankook Tire & Technology draws its independent directors from a range of fields—corporate management, economics, law, accounting, and ESG among them—each bringing considerable expertise and experience to the Board. Our directors serve to check and oversee management while supporting sound decision-making through strategic advice. We organize Board committees around this expertise to sharpen both operational efficiency and professional rigor, and provide dedicated training programs for independent directors to deepen their understanding of the industry and strengthen their capabilities.

Effectiveness and Transparency of the Board

To ensure effective decision-making, resolutions are adopted with a majority of directors in attendance and a majority of those present voting in favor. Since 2023 when the Board resolved to conduct periodic evaluations of its own performance and that of individual independent directors, this practice has been implemented annually in accordance with approved criteria and procedures. In December 2025, we advanced this further by introducing a peer evaluation system for independent directors, lending greater objectivity to the assessment of their contributions. These evaluation findings, in turn, inform our efforts to assess whether the Board is operating appropriately and to identify and implement improvement measures. The Board Secretariat, a dedicated support unit for independent directors, serves to strengthen the efficiency and transparency of Board operations. Pursuant to the BOD regulations, the Board convenes at least once every quarter.

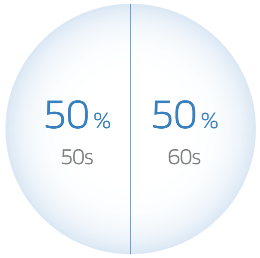
The Audit Committee has been established to check and oversee management on behalf of shareholders, and is composed entirely of independent directors. To safeguard its effectiveness, the Committee undergoes annual self-assessment across a defined set of criteria—the composition and expertise of its members, the role of the Audit Committee Chair, understanding of the company's business and risks, financial reporting, and oversight of internal controls. In 2023, we set forth the Code of Ethics for Independent Directors to establish clear standards of conduct for independent directors, thereby strengthening the transparency and accountability of Board operations as a whole.

Operational Overview

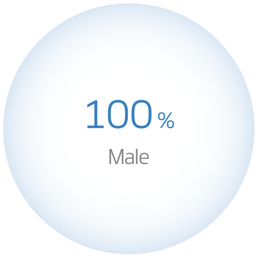
Training Provided to Independent Directors

Period	Jun. 30-Jul.3, 2025
Organizer	Board Secretariat
Topic	Site visit to the Hungary Plant and Europe Headquarters

Directors by Age Group



Directors by Gender



Board Meetings Held Over the Past 5 Years (unit: Meetings)

2021	9
2022	8
2023	9
2024	10
2025	12

99% Average board attendance in 2025

Board Remuneration

Remuneration of the Board

Our directors are compensated within the annual remuneration limit approved by the general meeting of shareholders in accordance with relevant company regulations, along with incentives provided based on business performance measured against economic, social, and environmental performance metrics. Of the KRW 8 billion total director remuneration limit approved at the 13th general meeting of shareholders held in 2025, approximately KRW 4.7 billion was paid out. At the 14th general meeting of shareholders held on March 26, 2026, KRW 8 billion was approved as the director remuneration limit, equivalent to that of the previous year.

Remuneration of All Directors and Auditors[1] (unit: KRW million)

Category	Directors (persons)	Total Remuneration	Average Remuneration per Person[2]
Registered directors (excluding independent directors and Audit Committee members)	5	9,780	792
Independent directors (excluding Audit Committee members)	3	142	47
Audit Committee members	3	189	63

1) The above headcount reflects the number of directors and auditors who held office at any point during the reporting period (including 3 directors who resigned and 3 newly appointed directors). As of the reporting reference date, the number of directors currently in office totals 8: 3 registered directors (excluding independent directors and Audit Committee members), 2 independent directors (excluding Audit Committee members), and 3 Audit Committee members.
2) The above total remuneration reflects the total amount paid to directors and auditors during the reporting period (including remuneration paid to the 3 directors who resigned and the 3 newly appointed directors), and includes severance pay paid to executives who resigned during the reporting period.
3) Average remuneration was calculated as a simple average based on the relevant headcount and total remuneration, excluding severance pay.
4) Severance pay is excluded from the director remuneration limit approved at the general meeting of shareholders.
5) Executive Director Soo Il Lee and Executive Director Jong Ho Park resigned on March 25, 2025.
6) Independent Director Hyun Myung Pyo resigned on March 25, 2025.

BOARD-CENTERED MANAGEMENT

Board Remuneration

Performance Evaluation of CEOs and Executives

Incentives tied to the performance evaluation of CEOs and executives include executive incentives and management incentives. Executive incentives are short-term performance bonuses determined by comprehensively considering performance indicators such as the year's revenue and operating profit, together with executives' contribution to the company's overall management performance including progress on strategic initiatives. Management incentives are performance bonuses tied to the company's mid- to long-term achievements, awarded to executives at the Senior Vice President level and above. They are determined by comprehensively evaluating management performance across three perspectives: financial (key management results, TSR disparities, etc.), strategy and innovation (organizational innovation activities, discovery of new growth drivers, etc.), and ESG (standing on the Dow Jones Best-in-Class Indices). Meanwhile, we conclude the advisory agreement with retiring executives, which is designed to deter professional misconduct[1] during an executive's tenure and to strengthen internal controls more broadly. The agreement includes clawback provisions stipulating that if any professional misconduct during an executive's term of office is identified after their resignation, they must return the amount that matches the severity of the damage done to the company from the management advisory payments they received. These provisions further stipulate that in cases when an executive's damage to the company exceeds their provided advisory payment, they are held liable for the difference.

1) Professional misconduct: Includes, but is not limited to, illegal actions or any act that causes damage to the company, including professional negligence.

CEO-to-Employee Compensation Ratio

Total CEO compensation (KRW million)[1]	Average employee compensation (KRW million)	Ratio[2]
3,238.00	99.2	32.64

1) Sum of base pay, allowances, and short/long-term incentives
2) Calculated by dividing the total CEO compensation by the average employee compensation

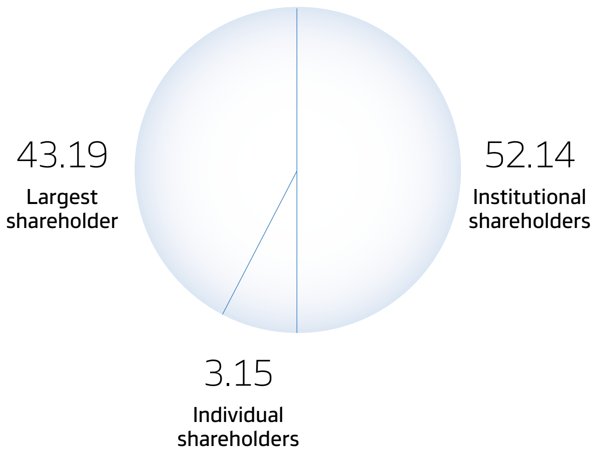
SHAREHOLDER-FRIENDLY MANAGEMENT

Shareholder Overview

We follow the one share one vote rule, and treasury shares do not carry voting rights pursuant to the Commercial Act.

Shareholder Composition (as of Dec. 31, 2025)

(unit: %)



Shareholder Profile (as of Dec. 31, 2025)

Category	Number of Shareholders	Proportion of Total Shareholders (%)	Number of Shares	Proportion of Total Shares (%)
Institutional shareholders	1,625	5.69	64,586,539	52.14
Individual shareholders	26,932	94.25	3,899,893	3.15
Largest shareholder	15	0.05	53,502,321	43.19
Treasury shares	2	0.01	1,886,316	1.52
Total	**28,574**	**100.00**	**123,875,069**	**100.00**

Shareholding of Major Shareholders (as of Dec. 31, 2025)

Name	Number of Shares	Ownership (%)
Hankook & Company Co., Ltd.	37,995,959	30.67
Hyun Bum Cho	9,581,144	7.73
Shinyang Co., Ltd.	793,522	0.63

* The remaining founder & founding-family ownership amounts to 4.14%.

Shareholding of Unregistered Executives (as of Dec. 31, 2025)

Name	Number of Shares
Hyun Bum Cho	9,581,144
Jin Gyun Jeong	1,050
Mun Hwan Heo	237
Gyu Bong Lee	81
Jin Sun Park	50
Sang Geun Lee	35
Kyoung Moon Lee	5

Voting Rights and Dividends

Facilitating the exercise of shareholder voting rights is a continuing priority for Hankook Tire & Technology. In pursuit of maximum shareholder participation in the general meeting of shareholders, we introduced electronic voting and electronic proxy voting at the 8th such meeting, and have made these mechanisms consistently available through the 14th general meeting. At the 11th, 12th, 13th, and 14th general meetings of shareholders, we participated in the voluntary program to stagger shareholder meeting dates, scheduling our annual general meeting at a time of lower concentration to enable broader shareholder attendance. Following each general meeting, we disclose the detailed vote tally in favor of and against every agenda item, both on our website and through the shareholder meeting results disclosure, reinforcing the transparency of our general shareholder meetings.

Dividend Payments by Year

Category		2021	2022	2023	2024	2025
Par value per share (KRW)		500	500	500	500	500
(consolidated) Net income (KRW million)		588,192	690,249	720,218	1,114,628	1,089,466
(separate) Net income (KRW million)		97,779	263,413	671,690	738,901	990,775
(consolidated) Earnings per share (KRW)		4,822	5,658	5,904	9,137	8,931
Total cash dividends (KRW million)		85,392	97,591	158,585	243,978	280,574
(consolidated) Cash dividend payout ratio (%)		14.5	14.1	22.0	21.9	25.8
Cash dividend yield (%)	Common stock	1.7	2.4	2.9	5.2	3.1
Cash dividends per share (KRW)	Common stock	700	800	1,300	2,000	2,300

SHAREHOLDER-FRIENDLY MANAGEMENT

Shareholder Value Enhancement

To advance shareholder-friendly management and enhance shareholder value, we implement policies to protect shareholder rights, ensure the timely disclosure of accurate information and improve access to information. Shareholders' voting rights are duly guaranteed pursuant to Korea's Commercial Act, and we adopted electronic voting, safeguard shareholders' right to make proposals, and disclosed our mid-term dividend policy, further strengthening the stability and predictability of dividend payments. Beyond our quarterly earnings briefings, we conduct IR meetings as needed for institutional investors and securities analysts across Korea and abroad, and participate in securities firm-hosted conferences to deepen our engagement with shareholders. A dedicated IR phone line supports our communication with individual shareholders, complemented by the timely disclosure of key management activities to ensure prompt communications.

Shareholder Return Policy

Drawing on its strong profit-generating capability, Hankook Tire & Technology intends to allocate the resources it generates across investment in sustainable growth, dividends in pursuit of shared growth with shareholders, and the preservation of financial soundness. In the spirit of building shared future value with our shareholders, we aim to progressively raise our dividend payout ratio to approximately 35% over the next three years (FY2025-2027), calculated on the basis of adjusted net income for the tire business excluding one-time non-recurring gains and losses. Beginning in 2025, we introduced an interim dividend to deliver a more stable and predictable cash flow to our shareholders.

Communication with Shareholders

Hankook Tire & Technology maintains close engagement with its shareholders on multiple fronts. Around January, April, July, and October each year, we pair the fair disclosure of our preliminary operating results with quarterly earnings briefings held for the same periods. Conducted in conference call format for securities analysts and institutional investors in Korea and abroad, these briefings bring together executives from finance, sales, procurement, and other business functions to present quarterly results and key management activities in person. Earnings materials are made available both on our website and through the electronic disclosure system, while the details of each conference call are published on our website to ensure equal access for all investors.

Our engagement extends further through NDR (Non-Deal Roadshow) events—held in person or by conference call for major institutional investors at home and abroad – and through domestic and international IR conferences hosted by securities firms, where key executives and employees brief investors directly on corporate information and matters of interest while gathering their feedback. We offer individual shareholders the same direct access: through the phone number and email address published on our website, they may reach IR personnel accordingly. We further ensure strict adherence to disclosure timeliness, alongside rigorous preliminary review and internal verification that minimize errors and eliminate the need for corrective disclosures. Collectively, these proactive IR efforts reflect our commitment to delivering sufficient information promptly and on an equal basis.

BOARD ACCOUNTABILITY

Governance

Hankook Tire & Technology advances Board-centered accountable management through specialized committees operating under the Board of Directors. Each committee serves to sharpen the Board's core decision-making and oversight functions, and reviews and deliberates on agenda items across key domains—audit, management, independent director candidate recommendation, internal transactions, ESG, and compensation. The Audit Committee oversees the audit of accounting and business operations along with the functioning of internal controls; the Management Committee deliberates on matters delegated by the Board and on issues bearing on key management risks; the Independent Director Candidate Recommendation Committee manages the process for nominating independent director candidates who meet the requisite standards of independence and expertise; the Internal Transactions Committee reviews the fairness and transparency of internal transactions, including those involving related parties; the ESG Committee reviews key policies and strategic direction across the environmental, social, and governance dimensions; and the Compensation Committee deliberates on the appropriateness and transparency of the director remuneration system. Together, these committees reinforce the accountability and expertise underpinning Board operations as a whole. We deploy a broader set of governance mechanisms to ensure the accountable operation of these committees in practice: the Corporate Governance Charter, the Code of Ethics for Independent Directors, the Board Skills Matrix (BSM), a peer evaluation of independent directors, and the operation of the Compensation Committee. Through these mechanisms, we continuously strengthen the independence, expertise, and transparency of the Board and its committees, and safeguard accountability and fairness throughout our key management decision-making processes.

Composition of Board Committees

Operational Overview of Board Committees

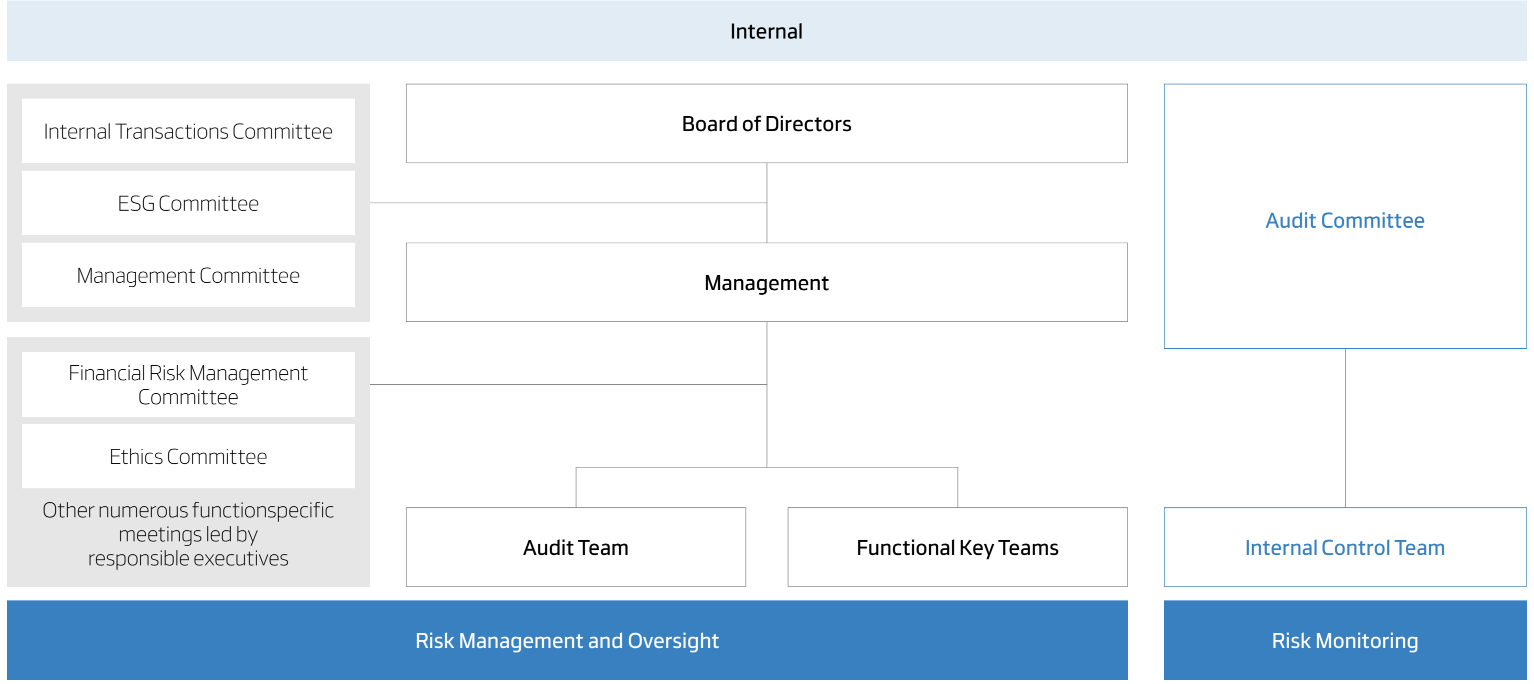
Committee	Responsibility	Composition (Chair:●)
Audit Committee	- Audit the company's accounting and business operations - Investigate the company's asset status - Handle matters stipulated by applicable laws and the Articles of Incorporation or delegated by the Board - Request directors to report on business operations - Approve the appointment of external auditors	Independent director: Doo Cheol Moon●, Sung Kwon Han, Ho June Chang
Management Committee	- Deliberate and decide on matters delegated by the Board in the areas of general management, finance, and overall risk management	Executive director: Sang Hoon Lee●, Jong Seon Ahn, Jeong Soo Park
Independent Director Candidate Recommendation Committee	- Nominate independent director candidates to be appointed at the general meeting of shareholders, handle matters delegated by the Board, and nominate, screen, and select independent director candidates pursuant to applicable laws, the Articles of Incorporation, and BOD regulations	Executive director: Jong Seon Ahn, Sang Hoon Lee, Jeong Soo Park Independent director: Sung Kwon Han●, Jong Gap Kim, Young Jae Kang, Ho June Chang, Doo Cheol Moon
Internal Transactions Committee	- Pre-screen and approve the transactions entered into with affiliates and related parties pursuant to antitrust and fair trade regulations with the approval authority granted by the Board concerning largescale internal transactions	Independent director: Young Jae Kang●, Jong Gap Kim, Ho June Chang
ESG Committee	- Deliberate and decide on environmental, social, and governance management to bolster sustainability management	Executive director: Jong Seon Ahn, Sang Hoon Lee, Jeong Soo Park Independent director: Doo Cheol Moon●, Sung Kwon Han, Jong Gap Kim, Young Jae Kang, Ho June Chang
Compensation Committee	- Deliberate on the director remuneration limit to be submitted to the general meeting of shareholders, and deliberate and decide on the compensation structure for CEOs and registered executives.	Independent director: Sung Kwon Han●, Jong Gap Kim, Young Jae Kang, Doo Cheol Moon, Ho June Chang,

RISK MANAGEMENT SYSTEM

Governance

Hankook Tire & Technology operates a range of risk management organizations to ensure effective risk management. First-line risk management is led by functional key teams and the Audit Team.

Organizational Chart for Risk Management



Risk by Type

At least twice a year, Hankook Tire & Technology reviews financial, non-financial, business, and operational risks, among others, disclosing the outcomes of these reviews and its response strategies to stakeholders through a range of channels, including Business Reports, Annual Reports, and ESG Reports. Internally, these risk factors are woven into the full scope of our business conduct, from the formulation of business strategies to the development of products and materials and the selection of suppliers. Risk management performance is likewise reflected in the KPIs of our key risk management organizations. To foster a culture of risk management across the organization, every member of our workforce, from independent directors to staff, receives regular training on risk management. Key teams receive additional training, including ISO 37301 (Compliance Management System) internal auditor training and compliance training tied to broader compliance activities, while independent directors strengthen their own risk management capabilities through core training on internal control over financial reporting.

Risk Identification and Assessment

Hankook Tire & Technology manages compliance and ethics risk on a company-wide basis, anchored in its Compliance Management System (CMS), which is aligned with the ISO 37301 international compliance management system. The Ethics Committee reviews key risks and corrective actions taken; key compliance teams manage risk on a company-wide basis in conjunction with audit activities; and operational departments carry out organization-specific improvement tasks and self-assessments. Our enterprise-wide risk management process spans risk identification, analysis, assessment, improvement, and follow-up management, and we continue to enhance its effectiveness by integrating the process with our whistleblowing mechanism, internal audits, and employee training.

RISK MANAGEMENT SYSTEM

Response Process

Hankook Tire & Technology identifies key risks and manages them through a phased structure: working-level departments conduct the primary review, relevant committees carry out a secondary review, and the Board of Directors and the Audit Committee provide tertiary oversight. The Finance Team and the Financial Risk Management Committee take the lead in managing financial risks, while the ESG Team, the Information Security Planning Team, and other relevant departments—together with specialized committees including the Climate Change Committee and the Information Protection Committee—respond to non-financial risks. For business and operational risks, functional departments including purchasing, strategy, HR, SHE, R&D, and audit coordinate with their corresponding committees to respond. Critical matters are escalated to the Board of Directors and the Audit Committee to ensure company-wide management and oversight. This multi-tiered response structure strengthens both the effectiveness and timeliness of our risk management.

Risk Management and Response Process

Key Risk		1st line (key teams)	2nd line	3rd line
Financial risk	F/X Liquidity Internal accounting	Finance Team	Financial Risk Management Committee	Board of Directors Audit Committee
Non-financial risk	Environment Climate change Information security	ESG Team Utility & Energy Project Information Security Planning Team	Climate Change Committee Information Security Committee	
Business risk	Supply chain management New business Industry innovation Investment execution	Purchasing Planning Team Corporate Strategy & Innovation Team Corporate Management Team	Supplier Committee Investment Deliberation Committee and others	
Operational risk	Employees Safety R&D Compliance	HR Management Team SHE Innovation Team R&D Planning Team Audit Team	Employee Committee SHE Innovation Committee Product Environment Committee Ethics Committee	

Monitoring and Reporting

Financial Risk

2025 was a year in which the importance of financial stability management grew further amid continued geopolitical uncertainty, shifts in the global trade environment, and ongoing volatility in raw material prices and freight costs. Hankook Tire & Technology monitors the impact of market changes on its profit and loss and financial structure on an ongoing basis, and closely tracks key financial indicators and cash flow. In addition, we review the financial implications of investment, financing, and operational decisions in advance, thereby strengthening our ability to navigate the evolving external environment.

Liquidity Risk

In preparation for continued volatility in global financial markets and ongoing trade uncertainty, we maintain a conservative approach to funding operations. We continuously monitor regional cash positions and liquidity levels, and proactively secure the liquidity required for business operations through cross-regional cash pooling and a structured funding planning system. We also continuously monitor our credit lines and borrowing capacity with financial institutions to respond flexibly to unexpected funding needs.

Foreign Exchange Risk

In 2025, dollar strength and volatility in major currencies sustained, with mounting uncertainties driven by shifts in trade policy. Hankook Tire & Technology continuously manages foreign currency exposure arising from its global production and sales sites, operating a foreign exchange risk management system combining natural hedging with financial hedging. We also continuously monitor trends in major currencies to minimize volatility in profit and loss and support stable business operations.

Information Security

The rapid advance of digital transformation and the uptake of generative AI have driven cyber security threats—data breaches, ransomware, and supply chain attacks—to increasingly sophisticated levels. Hankook Tire & Technology conducts real-time threat monitoring, vulnerability assessments, and employee security training to strengthen security across its IT and OT environments. In parallel, we operate a security management system aligned with the standards required by the global automotive industry, continuously enhancing our internal security controls and external response capabilities.

Safety and Health

Hankook Tire & Technology is committed to achieving safe workplaces by strengthening its accident prevention system, with a particular focus on eliminating potential hazards through risk assessments and advancing its inspection systems. We are strengthening field-driven, participatory safety and health training, as well as line safety management led by supervisors, while building a safer, more comfortable working environment—reducing musculoskeletal strain, improving conditions around heat and fume exposure, and ensuring the safety of the chemicals we use. In particular, we are strengthening the execution of core safety procedures such as LOTO (Lock-Out Tag-Out) to embed a safety culture across our global operations.

Fire

Fire is one of the most critical risks affecting both production continuity and human safety. Hankook Tire & Technology prioritizes safety in high-risk fire zones and initial response capabilities. We continue to expand early fire detection and response equipment and are standardizing emergency response scenarios and training systems at the operational site level, reducing the likelihood of fire while strengthening our ability to minimize damage in the event an incident does occur.

INFORMATION SECURITY

Governance

Hankook Tire & Technology maintains a company-wide security framework encompassing managerial, technical, and physical security to ensure effective information security management. The Chief Information Security Officer (CISO) leads our company-wide security governance and systematically strengthens the execution of our security policies and strategies. We designate site-level security personnel including for physical security, based on the characteristics and operating environment of each site, and support security operations through regular site-level consultative groups. These collaborative groups promote the sharing of security information across sites and enable integrated discussion of issues spanning the managerial, technical, and physical security domains. Through these groups, we share key security issues and response measures, review the results of security vulnerability assessments, manage the implementation status of site-specific security initiatives, and provide guidance on and check compliance with information security requirements. This approach ensures that we proactively identify potential site-level risks and manage them systematically, continuously raising the level of information security across the organization.

Organizational Chart for Information Security

1) ITO (Information Technology Outsourcing): Outsourcing of a company's IT functions to a third-party specialist firm

Policy

To address shifting global business conditions and country-specific data protection requirements, Hankook Tire & Technology maintains a systematic information security policy. This policy is continuously refined by weighing external laws and regulations and our own internal operating environment. On the external side, we continue to monitor major global personal data protection laws and local regulatory requirements, including Korea's Personal Information Protection Act and Act on Promotion of Information and Communications Network Utilization and Information Protection as well as the GDPR[1], translating corresponding compliance obligations within our policies and guidelines.

Internally, we engage in regular internal reviews in line with changes in our operations and the wider IT environment, spanning new IT services, shifting operational processes, and the expansion of digital transformation (DX). Security risk assessment results and operational status data base our efforts to enhance the effectiveness of our policy on an ongoing basis. Meanwhile, TISAX[2]—information security certification specific to the automotive industry —serves as our benchmark for maintaining a security management system aligned with global standards. To position security as a shared responsibility across the organization, we have established the User Security Compliance Rules, designed for immediate application in day-to-day operations. Through these efforts, we encourage employees to voluntarily practice sound security habits and endeavor to build a company-wide, sustainable information security system, thereby fostering a robust culture of security.

1) GDPR (General Data Protection Regulation): European Union's (EU) personal data protection regulation, in effect since 2018
2) TISAX (Trusted Information Security Assessment Exchange): An information security assessment standard established by the German Association of the Automotive Industry (VDA)

Information Security Activity

Hankook Tire & Technology rolls out multifaceted, systematic information security activities to prevent internal and external data leaks and ensure the stability of its infrastructure. Each year, we establish an information security operating plan, continuously revise our information security regulations and guidelines to keep pace with a changing environment, and regularly convene site-level consultative groups to enable close communication and coordination across our operational sites. To strengthen technical and managerial security, we conduct ongoing security reviews, vulnerability assessments, and mock hacking exercises, allowing us to proactively identify and address potential security vulnerabilities. We also respond actively to security audits conducted by external organizations and OE customers, continuing to demonstrate a level of security reliability that meets global standards.

Information Security Training

Hankook Tire & Technology conducts a range of training programs and awareness campaigns to raise employees' information security awareness and foster a culture of secure practices. To help security rules become a natural part of everyday work, we regularly notify employees of key security guidelines company-wide. In preparation for increasingly sophisticated external attacks, we conduct practical, hands-on prevention training, including simulated phishing exercises, on a regular basis in both the first and second halves of each year. This ensures that we continue to strengthen employees' security vigilance and our organization's emergency response capabilities.

Breach Prevention and Response

Hankook Tire & Technology systematically protects its data and systems in line with global security requirements and internal security policies. To ensure stable system operations, we perform routine data backups, and we maintain response processes and a crisis management system to address potential security breaches. Through real-time threat monitoring, we detect signs of intrusion at an early stage and activate a rapid response system, allowing us to respond effectively to a wide range of cyber security threats. Risk factors identified through internal vulnerability assessments are incorporated in our corrective action plans and managed on an ongoing basis, safeguarding the company and its stakeholders from external threats.

Improvement Activity

Hankook Tire & Technology proactively identifies security vulnerabilities through regular system security inspections and continuously improves its information security operations. With regard to TISAX, the information security standard required by the global automotive industry, we obtained or renewed Level 2 certification at 18 global sites in March 2025, and in September, our two test track sites in the EU region achieved Level 3 certification—which requires a higher level of information security capability—for the first time. As these achievements demonstrate, our information management system undergoes external expert assessments on a three-year cycle to verify its adequacy and operational maturity, strengthening the reliability of our internal security framework. Building on this framework, we plan to pursue a range of improvement activities going forward, including the advancement of security solutions and proactive risk management in response to changes in external laws and regulations, to further strengthen our information security capabilities to global standards.

ETHICS

Governance

Participation in the Compliance Committee

In 2025, Hankook & Company Group elevated its existing Jeongdo Management Committee into the Compliance Committee, aligning it with internal and external requirements and recommendations to further strengthen the Group-wide system for proactively identifying and preventing compliance risks. Since July 2025, 13 major Group affiliates, including Hankook Tire & Technology, have signed the Agreement on the Establishment and Operation of the Compliance Committee and continue to participate in its activities. The Compliance Committee is mandated to strengthen business ethics by preventing and reducing the legal and ethical risks facing Group affiliates. Reviewing major agenda items in advance and providing advisory input on the advancement of governance, the Committee enables proactive responses to key legal issues while contributing to fostering a Jeongdo Management culture and enhancing internal control systems across the Group. The Compliance Committee convened nine times in 2025, deliberating and discussing a range of agenda items, including compliance training performance, the advancement of the compliance system and control activities, and reports on the compliance capability-building roadmap.

Policy

Business Ethics

Grounded in its ethics policy and Code of Ethics, Hankook Tire & Technology maintains a set of ethical standards and behavioral principles that all stakeholders, including employees and suppliers, are expected to observe. We have defined the core pillars of business ethics as compliance with domestic and international laws and international conventions, responsibility to customers, shareholders, and employees, fair trade, personal data protection, protection of the environment and human rights, and responsibility to local communities and the global society. The Audit Team and the Ethics Committee lead our efforts to monitor the implementation of related policies and regulations. We have also codified prohibition on political activity, anti-corruption measures, prevention of conflicts of interest, data protection, fair supplier transactions, whistleblower protection, and procedures for reporting and remedying violations, building a transparent and accountable corporate culture.

Training

Enhanced Ethics Training

To spread the importance of Jeongdo Management and business ethics company-wide, Hankook Tire & Technology provides regular ethics training that embeds ethical awareness into employees' everyday decision-making and conduct. Delivered twice a year in the first and second half, this video-based training covers an understanding of business ethics, our approach to advancing Jeongdo Management and ethical business conduct, and key case studies drawn from actual practice. In 2025, we conducted first-half ethics training for employees, addressing the understanding of and need for business ethics, the importance of transparency and trust, the provision of opportunities free from discrimination, and social responsibility and community contribution, alongside second-half compliance training which introduced the importance of legal compliance, the concept of compliance, compliance obligations as illustrated through case law, and the design of effective compliance systems.

Building Ethics Awareness among Employees

Hankook Tire & Technology continues to pursue a range of internal communication activities to raise ethics awareness among employees and embed a culture of ethical business conduct. Once a month, we distribute the E-thics Letter, featuring exemplary and violation cases related to business ethics along with relevant news articles, and provide ongoing updates through our ethics bulletin board. To strengthen communication with our global workforce, we also produce and distribute an English-language version of the E-thics Letter.

Business Ethics Activity

Information Sharing for Business Ethics

Hankook Tire & Technology operates an online ethics bulletin board so that employees can access at any given time both current and past issues of the E-thics Letter (now the Compliance Letter), a range of educational content including materials on our Compliance Management System (CMS) and online training, and compliance information such as our ISO 37301 compliance management system.

Whistleblowing Mechanism

Facilitating the Whistleblowing Mechanism and Performing Internal Assessments

Hankook Tire & Technology actively promotes its whistleblowing channels among internal and external stakeholders to facilitate whistleblowing. Our "Misconduct Reporting" channel serves to enhance organizational transparency and establish an ethics culture. Out of a total of 43 concerns raised in 2025, one found to be valid was investigated.

ETHICS

Investigation and Follow-up

Where our internal assessments identify wrongful practices or inappropriate work processes, we recommend corrective action, and the HR Committee imposes disciplinary measures on employees found to have engaged in misconduct as an appropriate step to prevent recurrence. We continue to enhance the effectiveness of our whistleblowing mechanism to foster a healthy organizational culture and facilitate the wider use of this mechanism. In 2026, we plan to widely publicize our global whistleblowing website across our overseas operations, helping to build a well-established culture of whistleblowing at all our operational sites, both in Korea and abroad.

Whistleblowing Process

File a report	Receive the report	Determine whether to assess	Assess	Compensate the whistleblower/ Take disciplinary action against the offender	Improve the work process

Whistleblowing by Type of Concern

Category	2024		2025	
	Reports Submitted	Valid Reports	Reports Submitted	Valid Reports
Ethical misconduct	6	1	8	1
External complaint	5	0	8	0
Internal complaint	3	0	9	0
Others (including customer complaint)	19	0	18	0
Total	33	1	43	1

Actions Taken for Non-Compliance with the Code of Conduct

Category	2024		2025		Action Taken
	Non-Compliance (cases)	Offenders (persons)	Non-Compliance (cases)	Offenders (persons)	
Damage to corporate culture (sexual harassment, bullying, etc.)	3	5	4	4	Disciplinary action
Negligence of duties and poor attendance	0	0	0	0	
Bribe-taking	0	0	0	0	
Personal use of company expenses	1	1	0	0	
Improper supplier involvement	0	0	0	0	
Total	4	6	4	4	

COMPLIANCE

Compliance Operation

Building a Compliance Risk Management System and Maintaining ISO 37301 Certification

Hankook Tire & Technology operates a risk management system designed to enable each organization to review compliance risks along the PDCA (Plan-Do-Check-Action) cycle. Building on the ISO 37301 certification we obtained in 2021, we continue to pursue a range of activities to sustain this certification, including internal auditor training, self-assessments, and ongoing system operation. Through these efforts, we assess the suitability and effectiveness of our compliance management system and will continue to strengthen our legal compliance at all levels of the company.

Fair Trade Compliance

Hankook Tire & Technology provides employees with a range of fair trade-related training to support compliance with relevant fair trade laws and regulations across all business and sales operations.

Anti-Corruption and Antitrust Management

Advancing Anti-Corruption and Antitrust Management

To raise ethics awareness among all employees and foster a culture of voluntary ethical practice, Hankook Tire & Technology launches targeted campaigns during national holidays and vacation periods, when the need for business ethics is especially heightened. Representative examples include the No Giving/No Taking of Holiday Gifts campaign and the voluntary bribery reporting campaign, which help embed a culture of anti-corruption across the organization. In 2025, we produced and posted electronic posters promoting our whistleblowing mechanism using internal kiosks, raising employee awareness of ethical business conduct and further strengthening our efforts to facilitate a culture of whistleblowing.

We further uphold the principles of fair and free competition, strictly prohibiting antitrust violations and unfair trade practices that undermine fair trade, including collusion, unfair conduct related to bidding, and abuse of market-dominant position. To institutionally reinforce these principles, we revised our ethics regulations in 2025 to introduce relevant provisions, establishing clear grounds for sanctions in the event of violations. Through these efforts, we aim to ensure transparency and fairness across all transactions and to advance responsible corporate management.

APPENDIX

PERFORMANCE SUMMARY

ESG PERFORMANCE SUMMARY

Economic Performance (consolidated)

Financial Performance

Item		Unit	2023	2024	2025
Sales		KRW million	8,939,621	9,411,948	21,202,299
Tire sales breakdown by region	Korea	%	10.2	10.6	11.0
	China		11.3	9.7	9.0
	Europe		39.3	43.6	45.4
	Americas		29.7	26.3	24.4
	Middle East, Africa, Asia Pacific		9.5	9.7	10.2
Cost of sales		KRW million	6,043,640	5,943,938	16,537,337
Gross income			2,895,982	3,468,010	4,664,963
Operating income			1,327,945	1,762,260	1,841,076
Income before tax			1,171,219	1,573,822	1,439,280
Income tax			442,426	442,724	467,686
Net income			728,793	1,131,098	971,595
Other comprehensive income			122,695	592,224	422,567
Total comprehensive income			851,488	1,723,322	1,394,162
Total assets			12,763,306	15,849,745	26,647,188
Total liabilities			3,133,753	4,654,892	12,445,209
Total equity			9,629,553	11,194,853	14,201,979

Environmental

Consumption of Key Raw Materials

Item	Unit	2023	2024	2025
Natural rubber	ton	250,045	290,905	298,130
Synthetic rubber		218,251	228,713	245,295
Carbon black		254,465	238,892	258,443
Textile cord		47,501	49,885	52,868
Steel cord		113,247	104,187	116,050
Bead wire		51,161	49,323	55,103
Silica		59,707	63,780	73,866
Auxiliary materials (PE/PP)		132,358	137,027	150,018
Total	**ton**	**1,126,736**	**1,162,713**	**1,249,774**

Environmental

Consumption of Secondary Raw Materials (recycled materials)

Item	Unit	2023	2024	2025
Natural rubber	ton	250,045	290,905	298,130
Synthetic rubber		8,732	12,304	18,220
Carbon black		4,910	8,857	10,513
Textile cord		2,115	1,141	1,361
Steel cord		0.36	-	3,632
Bead wire		0.33	0.27	5,049
Rice husk silica		12	2.4	2,850
Recycled auxiliary materials (PE/PP)		11,686	15,625	17,029
Total	**ton**	**277,500**	**328,835**	**356,783**

Energy Consumption

Item			Unit	2023	2024	2025
Korea	Non-renewable energy	Fuel	GJ	2,452,416	2,323,297	1,721,902
		Purchased electricity		2,073,814	2,054,948	2,057,674
		Purchased steam		147,297	47,479	605,761
	Renewable energy	Renewable energy		0	0	0
	Subtotal			4,673,527	4,425,723	4,385,337
	Ratio of renewable energy		%	0	0	0
Global	Non-renewable energy	Fuel	GJ	2,307,638	2,271,670	2,422,841
		Purchased electricity		3,150,425	3,310,466	3,316,084
		Purchased steam		1,449,554	1,490,089	1,392,354
	Renewable energy	Renewable energy		67,515	93,327	94,221
	Subtotal			6,975,133	7,165,552	7,225,500
	Ratio of renewable energy		%	0.01	0.01	0.01
Total	**Non-renewable energy**	**Fuel**	**GJ**	**4,760,054**	**4,594,967**	**4,144,743**
		Purchased electricity		**5,224,239**	**5,365,414**	**5,373,757**
		Purchased steam		**1,596,851**	**1,537,568**	**1,998,115**
	Renewable energy	**Renewable energy**		**67,515**	**93,327**	**94,221**
	Subtotal			**11,648,660**	**11,591,275**	**11,610,836**
	Ratio of renewable energy		**%**	**0.01**	**0.01**	**0.01**
Intensity			GJ/ton	10.48	9.95	9.78

※ Does not include 9,225 MWh sourced through purchased Renewable Energy Certificates (RECs)

Environmental

Reduction of Energy Consumption

Item		Unit	2023	2024	2025
Korea	Energy optimization for production process	GJ	Not aggregated		204,778
	Heating/cooling energy improvement				13,756
	Switch to high-efficiency LED lighting				3,984
	Subtotal				222,518
Global	Energy optimization for production process				159,840
	Heating/cooling energy improvement				6,473
	Switch to high-efficiency LED lighting				717
	Subtotal				167,029
Total	**Energy optimization for production process**	GJ	Not aggregated		**364,618**
	Heating/cooling energy improvement				**20,228**
	Switch to high-efficiency LED lighting				**4,701**
	Subtotal				**389,547**

Combined GHG Emissions (Scope 1, 2)

Item		Unit	2023	2024	2025
Korea	Scope 1	tCO_2eq	126,973	121,789	89,973
	Scope 2		292,531	286,870	288,297
Global	Scope 1		120,252	121,827	125,736
	Scope 2 (Market-Based)		561,844	578,728	591,527
	Scope 2 (Location-Based)		561,844	583,595	578,579
Total	**Scope 1**	**tCO_2eq**	**247,224**	**243,616**	**215,708**
	Scope 2 (Market-Based)		**854,375**	**865,598**	**879,824**
	Scope 2 (Location-Based)		**854,375**	**870,465**	**866,876**
	Scope 1+2 (Market-Based)		**1,101,599**	**1,109,213**	**1,095,532**
	Scope 1+2 (Location-Based)		**1,101,599**	**1,114,081**	**1,082,584**
Intensity (Market-Based)		tCO_2eq/ton	0.99	0.95	0.92

※ Based on 8 major plants: Sum of GHG emissions (Scope 1, 2)
※ Offices: Technoplex, Technodome, Engineering Lab
※ Subsidiaries: Hankook Precision Works, Hankook Engineering Works, Model Solution, Hankook Donggeurami Partners

GHG Emissions (Scope 3)

Item	Unit	2023	2024	2025
Category 1 (purchased goods and services)	tCO_2eq	2,581,936	2,717,292	2,864,128
Category 2 (capital goods)		189,687	219,865	482,257
Category 3 (fuel- and energy-related activities not Included in Scope 1 or 2)		239,281	243,191	241,413
Category 4 (upstream transportation and distribution)		504,126	524,571	605,604
Category 5 (waste generated in operations)		11,003	10,194	9,285
Category 9 (downstream transportation and distribution)		8,697	34,350	39,475
Category 11 (use of sold products)		25,825,175	25,727,447	26,449,278
Category 12 (end-of-life treatment of sold products)		7,557	7,681	9,473
Category 15 (investments)		51,481	85,327	0
Total	**tCO_2eq**	**29,418,944**	**29,569,918**	**30,700,912**

※ While tires do not directly consume fuel and do not correspond to this category according to the GHG Protocol, we made calculations on this category as optional emissions to track our yearly emissions trajectory and did not include this in our SBTi target.

Reduction of GHG Emissions

Item	Unit	2023	2024	2025
Korea	tCO_2eq	12,845	12,308	15,759
Global		12,482	24,043	15,380
Total	**tCO_2eq**	**25,327**	**36,351**	**31,138**

Energy and Carbon Cost Savings

Item	Unit	2023	2024	2025
Korea	KRW million	3,728	4,886	6,637
Global		3,602	6,698	8,319
Total	**KRW million**	**7,330**	**11,584**	**14,957**

Environmental

Investment in Energy and Carbon Reduction Projects

Item	Unit	2023	2024	2025
Korea	KRW million	1,346	2,857	4,693
Global		3,837	6,660	5,150
Total	**KRW million**	**5,183**	**9,517**	**9,844**

※ All figures and totals are rounded to the nearest KRW million.

Air Pollutant Emissions

Item			Unit	2023	2024	2025
Korea	NOx (nitrogen oxides)	DP	kg	17,374	12,907	2,771
		KP		23,784	21,331	21,978
	PM (dust and others)	DP		35,467	38,027	41,846
		KP		70,506	101,784	56,959
Total	**NOx (nitrogen oxides)**		**kg**	**41,518**	**34,238**	**24,749**
	PM (dust and others)			**105,973**	**139,811**	**98,805**

Water Pollutant Discharge

Item		Unit	2023	2024	2025
Korea	SS (suspend solids)	kg	1,500	1,400	712
Global			27,300	30,300	39,925
Korea	TOC (total organic carbon)		1,991	837	1,001
			1,888	2,744	2,834
	T-N (total nitrogen)		286	271	452
			1,140	2,117	1,964
	T-P (total phosphorus)		3	2	1
			19	16	17
Total	**SS (suspend solids)**	**kg**	**28,800**	**31,700**	**40,637**
	TOC (total organic carbon)		**3,880**	**3,581**	**3,835**
	T-N (total nitrogen)		**1,427**	**2,388**	**2,416**
	T-P (total phosphorus)		**22**	**18**	**18**

Water Withdrawal

Item		Unit	2023	2024	2025
Korea	Tap water	m³	2,511,356	2,173,676	2,266,146
	Groundwater		40,181	47,727	49,256
Global	Tap water		3,059,613	3,259,475	3,188,677
	Groundwater		95,819	103,669	182,083
Subtotal	Tap water		5,570,969	5,433,151	5,454,823
	Groundwater		136,000	151,396	231,339
Total		**m³**	**5,706,969**	**5,584,547**	**5,686,162**
Intensity		m³/ton	5.13	4.79	4.79

Environmental

Water Discharged

Item	Unit	2023	2024	2025
Korea	m³	382,790	407,194	349,777
Global	m³	1,426,810	1,421,437	1,496,596
Total	**m³**	**1,809,600**	**1,828,631**	**1,846,373**
Intensity	m³/ton	1.63	1.57	1.56

Water Consumed

Item	Unit	2023	2024	2025
Korea	m³	2,168,747	1,814,209	1,965,625
Global	m³	1,728,622	1,941,707	1,874,164
Total	**m³**	**3,897,369**	**3,755,916**	**3,839,789**
Intensity	m³/ton	3.51	3.22	3.23

Water Reused

Item	Unit	2023	2024	2025
Korea	m³	931,304	896,899	929,342
Global	m³	840,053	678,842	865,481
Total	**m³**	**1,771,357**	**1,575,741**	**1,794,823**
Intensity	m³/ton	1.59	1.35	1.56

Water Reuse Rate

Item	Unit	2023	2024	2025
Korea	%	26.7	28.8	40.0
Global	%	21.0	16.8	26.0
Total	**%**	**23.7**	**22.0**	**32.0**

Waste Generated

Item				Unit	2023	2024	2025
Korea	Outsourcing	Landfill	General waste	kg	1,050,130	1,069,040	1,059,160
			Hazardous waste		0	0	0
		Incineration with energy recovery	General waste		1,373,460	1,491,810	1,542,400
			Hazardous waste		267,700	134,560	84,880
		Incineration without energy recovery	General waste		0	0	0
			Hazardous waste		22,910	23,040	28,800
		Recycling	General waste		15,904,100	15,982,634	15,657,930
			Hazardous waste		1,384,240	1,741,210	1,988,800
	Other waste				0	0	0
Global	Outsourcing	Landfill	General waste	kg	2,518,960	1,745,734	1,222,677
			Hazardous waste		226,066	203,160	252,820
		Incineration with energy recovery	General waste		3,554,465	2,995,418	2,541,877
			Hazardous waste		2,320,661	2,203,094	1,547,418
		Incineration without energy recovery	General waste		320	0	0
			Hazardous waste		0	0	494,660
		Recycling	General waste		19,309,740	22,083,713	22,448,614
			Hazardous waste		1,461,171	1,834,937	2,316,788
	Other waste				0	0	18,540
Total	**Outsourcing**	**Landfill**	**General waste**	**kg**	**3,569,090**	**2,814,774**	**2,281,837**
			Hazardous waste		**226,066**	**203,160**	**252,820**
		Incineration with energy recovery	**General waste**		**4,927,925**	**4,487,228**	**4,084,277**
			Hazardous waste		**2,588,361**	**2,337,654**	**1,632,298**
		Incineration without energy recovery	**General waste**		**320**	**0**	**0**
			Hazardous waste		**22,910**	**23,040**	**523,460**
		Recycling	**General waste**		**35,213,840**	**38,066,347**	**38,106,544**
			Hazardous waste		**2,845,411**	**3,576,147**	**4,305,588**
			Total recycling rate	**%**	**77%**	**81%**	**83%**
	Other waste				**0**	**0**	**18,540**
	Total waste discharge				**49,393,923**	**51,508,350**	**51,205,363**
	Intensity			**kg/ton**	**44.44**	**44.22**	**43.13**

Environmental

Products Covered by LCA

Item	Unit	2023	2024	2025
Percentage of products for which LCAs were conducted	%	38.7	44.2	43.8

Social

Employees

Item			Unit	2023	2024	2025
Total employees	Korea		Persons	6,485	6,468	6,492
	China			6,306	6,317	6,366
	Europe			3,594	3,698	3,983
	Americas			1,317	1,438	1,843
	Middle East, Africa, Asia Pacific			1,812	1,771	1,743
	Total		**Persons**	**19,514**	**19,692**	**20,427**
Employees by type of employment	Regular	Male	Persons	17,113	17,212	17,781
		Female		2,151	2,194	2,296
	Non-regular	Male		225	271	323
		Female		25	15	27
	Percentage of non-regular employees		%	1.3	1.5	1.7
	Full Time	Male	Persons	17,338	17,483	18,104
		Female		2,176	2,209	2,323
Employees by type of employment and by region	Regular	Korea	Persons	6,281	6,219	6,184
		China		6,286	6,297	6,345
		Europe		3,585	3,689	3,970
		Americas		1,305	1,431	1,837
		Middle East, Africa, Asia Pacific		1,807	1,770	1,741
		Total	**Persons**	**19,264**	**19,406**	**20,077**
	Non-regular	Korea	Persons	204	249	308
		China		20	20	21
		Europe		9	9	13
		Americas		12	7	6
		Middle East, Africa, Asia Pacific		5	1	2
		Total	**Persons**	**250**	**286**	**350**

Social

Employees

Item			Unit	2023	2024	2025
Employees by age group	Under 30		%	16.6	15.9	15.3
	30s			33.7	32.0	31.3
	40s			34.1	35.2	35.4
	50s			14.5	15.8	16.7
	60s			1.1	1.1	1.3
Employees by gender	Korea	Male	Persons	6,137	6,099	6,091
		Female		348	369	401
	Global	Male		11,201	11,384	12,013
		Female		1,828	1,840	1,922
Employees by job category	Office workers in Korea		Persons	2,143	2,226	2,333
	Operators in Korea			4,342	4,242	4,159
	Officer workers overseas			2,549	2,606	2,777
	Operators overseas			10,480	10,618	11,158
Non-employee workers (workers from suppliers, workers not directly employed by the company)	Subcontractors for plants in Korea		Persons	1,966	1,923	2,010
Parental leave (Korea)	Applicants (expected to return)		Persons	90	88	113
	Employees who returned to work			83	84	110
	Return rate		%	97.8	95.5	97.3
	Employees eligible for parental leave by gender	Male	Persons	1,704	1,517	1,357
		Female		89	97	94
	Employees who took parental leave by gender	Male		90	87	106
		Female		26	34	44
	Employees who returned to work after parental leave by gender	Male		70	62	75
		Female		13	22	28
	Employees who worked 12 months after returning from parental leave by gender	Male		70	48	58
		Female		7	18	20

Item		Unit	2023	2024	2025
Parental leave (overseas)	Applicants (expected to return)	Persons	33	32	37
	Employees who returned to work		33	32	37
	Return rate	%	100	100	100
Percentage of female employees		%	11.2	11.2	11.4
Female leadership metrics	Percentage of female managers	%	17.1	17.7	18.5
	Number of female executives	Persons	2	3	2
	Percentage of female executives	%	3.2	2.6	3.0
	Percentage of females in STEM positions		10.5	12.5	12.6
	Percentage of females in revenue-generating positions		19.6	20.4	21.7
Employees by nationality	Korea	%	33.2	33.2	32.2
	China		32.3	32.1	31.2
	Europe		15.4	13.8	17.0
	Americas		6.3	6.6	8.8
	Middle East, Africa, Asia Pacific		8.5	8	10.1
	Others		4.3	6.3	0.7
Manager-level employees by nationality	Korea	%	58	35.1	33.2
	China		23.3	35.2	31.2
	Europe		5.9	15.2	21.3
	Americas		6.1	7	7.8
	Middle East, Africa, Asia Pacific		2	4.3	4.7
	Others		0	3.2	1.7

Social

Recruitment

Item			Unit	2023	2024	2025
New hires	Total		Persons	1,627	1,696	2,126
	By gender	Male	Persons	1,226	1,347	1,765
		Female		401	349	361
		Male	%	79.0	79.0	83.0
		Female		21.0	21.0	17.0
	By age group	Under 30	Persons	858	919	1,057
		30s		435	429	599
		40s		220	213	274
		Over 50		114	135	196
		Under 20	%	52.7	54.2	50.0
		30s		26.7	25.3	28.0
		40s		13.5	12.6	13.0
		Over 50		7.0	8.0	9.0
	Number of new hires by region	Korea	Persons	232	324	381
		China		214	195	215
		Europe		648	576	697
		Americas		448	526	767
		Middle East, Africa, Asia Pacific		85	75	66
	Percentage of new hires by region	Korea	%	14.3	19.1	17.9
		China		13.2	11.5	10.1
		Europe		39.8	34.0	32.8
		Americas		27.5	31.0	36.1
		Middle East, Africa, Asia Pacific		5.2	4.4	3.1
	Office workers in Korea	Office workers in Korea	Persons	142	198	209
	Operators in Korea	Operators in Korea		90	126	172
	Office workers overseas	Office workers overseas		335	388	424
	Operators overseas	Operators overseas		1,060	984	1,321

Turnover

Item		Unit	2023	2024	2025
Turnover	Total	Persons	1,897	1,837	1,707
	Male		1,497	1,466	1,363
	Female		400	371	344
	Under 30		610	828	742
	30s		588	528	453
	40s		347	311	265
	Over 50		352	170	247
Turnover rate		%	9.7	9.3	8.4
Voluntary turnover rate			7.4	7.2	7.0
Average years of employment		Years	17.3	17.1	17.2

General and Mandatory Training

Item		Unit	2023	2024	2025
Average training hours per person	Total	Hours	38.8	43.9	47.5
Average training expenses per person	Total	KRW 1,000	112	139	142
Training participants	Total	Persons	221,378	236,836	242,371
Transition support training outcomes	Retirement preparation support training		5	31	123
Detailed training outcomes	Ethics		4,668	4,243	4,537
	Fair trade		98	66	-
	Information security		2,022	2,079	2,140
	Improvement in disability perception		2,086	2,161	2,184
	Sexual harassment prevention		2,115	2,115	2,180

Social

Health and Safety

Item		Unit	2023	2024	2025
Number of injuries	Employees	Cases/ million work hours	83	81	74
	Suppliers		5	27	8
Injury rate	Employees	%	2.0	2.1	1.9
	Suppliers		1.0	10.5	2.7
Number of work-related illness cases	Employees	Cases	112	159	145
	Suppliers		8	5	4
Lost-Time Injuries Frequency Rate (LTIFR) of employees		Cases/ million work hours	10.0	6.2	5.5
Lost-Time Injuries Frequency Rate (LTIFR) of suppliers			13.0	12.4	4.1
Occupational Illness Frequency Rate (OIFR) of employees			7.0	4.1	3.7

Female-to-Male Wage Ratio by Job Position*

Item		Unit	2023	2024	2025
Executives (based on total salary)	Female-to-male wage ratio (Female/Male)	%	94	97	106
	Female-to-male wage ratio for identical job positions (Female/Male)		100	106	96
Executives (based on total salary + incentives)	Female-to-male wage ratio (Female/Male)		84	83	84
	Female-to-male wage ratio for identical job positions (Female/Male)		100	106	94
Managerial positions (based on total salary)	Female-to-male wage ratio (Female/Male)		80	77	75
	Female-to-male wage ratio for identical job positions (Female/Male)		87	89	84
Managerial positions (based on total salary + incentives)	Female-to-male wage ratio (Female/Male)		81	76	76
	Female-to-male wage ratio for identical job positions (Female/Male)		89	89	85
Non-managerial positions	Female-to-male wage ratio (Female/Male)		91	90	90
	Female-to-male wage ratio for identical job positions (Female/Male)		91	94	95

Performance and Compensation

Item		Unit	2023	2024	2025
Percentage of employees who received regular performance evaluations	Korea	%	99	100	100

※ The total number of employees in Korea (6,492) includes executives, operators, and other personnel who are not subject to performance evaluation. Of the 2,119 employees eligible, 2,111 completed the comprehensive evaluation (rounded to 100%).

Grievance Handling

Item		Unit	2023	2024	2025
Grievances handled	Korea	Cases	4	4	4

Labor Union

Item		Unit	2023	2024	2025
Number of employees eligible for union membership	Korea	Persons	4,410	4,347	4,224
Number of unionized employees			4,082	3,946	3,852
Union membership rate		%	93	91	91

Social

Supply Chain

Item		Unit	2023	2024	2025
Supplier ESG assessment	Number of suppliers subject to assessment	Companies	415	346	432
	Number of suppliers who completed assessment		415	346	432
	Assessment completion rate	%	100	100	100
	Percentage of critical suppliers who received ESG assessment		100	100	100
	On-site assessment rate		61.8	63.3	58.3
	Number of tier-1 suppliers	Companies	415	346	432
	Number of critical tier-1 suppliers		142	66	104
	Number of suppliers with identified negative impacts		13	11	7
	Number of suppliers implementing corrective actions		13	11	7
	Number of suppliers with negative impacts remediated		13	11	7
	Number of suppliers participating in capacity-building programs		415	346	432
	Supplier grievances handled	Cases	12	15	11
Supplier training and communication	Training outcomes	Sessions	6	1	4

Ethics

Item		Unit	2023	2024	2025
Ethical business conduct	External investigations*	Cases	0	0	0
	Fair trade violations		1	0	0

※ Number of cases received through external reports, whistleblowing, or requests, and investigated in accordance with the relevant procedures

Customers and Product Responsibility

Item		Unit	2023	2024	2025
Consumer feedback and complaints		Cases	83	75	79
Customer complaints concerning data privacy			6	4	5
Recalls	Global	Cases	24	23.25	19
Recall expenses against sales		%	0.0001	0.0001	0.0000004
Non-voluntary recalls		Cases	0	0	0

Community

Item		Unit	2023	2024	2025
Corporate philanthropic expenses		KRW 100 million	49.3178	18.4924	18.6617
Volunteering	Employee volunteer hours	Hours	11,654	14,380	23,423
	Cumulative annual number of employee volunteers	Persons	2,688	3,395	5,458
	Total volunteer activities	Cases	316	432	489
	Volunteer hours per person	Hours	0.7	0.8	1.3

Governance and Ethics

Board of Directors

Item		Unit	2023	2024	2025
Board composition	Total	Persons	8	8	8
	Executive directors		2	3	3
	Independent directors		6	5	5
	Female directors		1	1	1
Percentage of independent directors		%	75	63	63
Percentage of female directors			13	13	13
Board meetings held		Meetings	9	10	12
Board meeting attendance		%	86	96	99
Whether Board evaluation was conducted		N/Y	N	Y	Y

ESG Operation

Item	Unit	2023	2024	2025
ESG Committee meetings held	Meetings	3	3	3
Key ESG agenda items	Items	3	3	3

Information Security

Item	Unit	2023	2024	2025
Information security training provided	%	100	100	100
Security inspections conducted	Cases	0	0	2
Information security breaches		0	0	1

Ethics and Compliance

Item		Unit	2023	2024	2025
Ethics pledge completion rate		%	99.5	99.0	100
Ethics reports submitted		Cases	18	33	43
Ethics reports addressed			5	1	1
Ethics report handling rate		%	28.0	3.0	2.3
Non-compliance with the Code of Conduct	Damage to corporate culture	Cases	5	3	4
	Negligence of duty and poor attendance		4	0	0
	Bribe-taking		0	0	0
	Personal use of company expenses		0	1	0
	Improper supplier involvement		0	0	0
Legal violations		Cases	0	0	0
Expenditures on trade associations and policy-related organizations (industry associations, chambers of commerce, etc.)*		KRW million	2,212	2,730	3,009
Political donations			0	0	0

1) Ranking of Membership Fees Paid to Trade Associations
1. ETRMA (European Tyre and Rubber Manufacturers' Association): KRW 862 million
2. TIP (Tire Industry Project): KRW 551 million
3. USTMA (U.S. Tire Manufacturers Association): KRW 495 million
4. KOTMA (Korea Tire Manufacturers Association): KRW 280 million
5. WBCSD (World Business Council for Sustainable Development): KRW 140 million

2) KBCSD (Korea Business Council for Sustainable Development) membership fee: KRW 22 million

Governance and Ethics

Government Grants

Project	Task	Supervising Team	Total Development Period	Government Grants (unit: KRW)					
				Total Grants Received during the Development Period	2021 Budget Allocated	2022 Budget Allocated	2023 Budget Allocated	2024 Budget Allocated	2025 Budget Allocated
Developing smart tires with integrated multi-sensors for enhanced vehicle safety	Develop automotive smart tires with embedded 1Hz-grade multi-sensors to advance safety and functionality in future vehicles	Mobility Solution Project	Apr. 2023-Dec. 2026	400,000,000			100,000,000	100,000,000	100,000,000
Localizing core strategic materials under the materials and parts technology development program	Develop ultra-wear-resistant butadiene elastomer materials for tires	Advanced Compound Project	Apr. 2020-Dec. 2024	173,000,000		60,000,000	70,000,000	43,000,000	0
Developing technologies for repurposing end-of-life molds into resources and manufacturing precision molds	Develop ± 0.03 mm precision micro-pattern tire mold production technology using additive manufacturing	Material Planning Team	Jul. 2024-Dec. 2027	1,050,000,000				150,000,000	293,100,000
Developing materials and parts for electric vehicles in response to regulations of non-exhaust emissions (Euro 7)	Develop tires with reduced wear particles by considering braking characteristics unique to EVs	Advanced Compound Project	Jul. 2024-Dec. 2028	112,500,000				12,500,000	40,000,000
	Develop evaluation and demonstration technologies for wear particles generated by eco-friendly vehicles in alignment with international standards	SHE Research Team	Jul. 2024-Dec. 2028	115,000,000	91,000,000			15,000,000	20,000,000

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Materials Sourcing	TR-AP-440b.1	(1) Percentage of products sold that are recyclable	Financial Report
	Materials Efficiency	(2) Percentage of input materials from recycled or remanufactured content	p.25~27, p.64
Competitive Behavior	TR-AP-520a.1	(1) Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	p.61, p.73

Activity Metrics		Value
Activity Metrics	Number of parts produced	Not disclosed
	Weight of parts produced	Not disclosed
	Area of manufacturing facilities	Not disclosed

ESG DISCLOSURE INDEX

ESRS INDEX

ESRS 2 - General Disclosures

ESRS	Disclosure Requirement	Page
GOV-1	The role of the administrative, management and supervisory bodies	p.9, p.52~54
GOV-2	Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies	p.9, p.52~54
GOV-4	Statement on due diligence	p.16, p.44~48, p.57~61
GOV-5	Risk management and internal controls over sustainability reporting	p.9~11, p.57~59
SBM-1	Strategy, business model and value chain	p.4~8, p.16, p.44~48
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SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p.17
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	p.16~17
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	p.4, p.17

E1 - Climate Change

ESRS	Disclosure Requirement	Page
E1-1	Transition plan for climate change mitigation	p.21~23, p.83~86
E1-2	Policies related to climate change mitigation and adaptation	p.20~21, p.83~84
E1-3	Actions and resources in relation to climate change policies	p.21~23, p.64~66, p.83~86
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E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	p.65, p.86, p.90~92
E1-8	Internal carbon pricing	p.21, p.23
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	p.83~86

E2 - Pollution

ESRS	Disclosure Requirement	Page
E2-1	Policies related to pollution	p.20, p.24
E2-2	Actions and resources related to pollution	p.24, p.66~67
E2-3	Targets related to pollution	p.24, p.66~67
E2-4	Pollution of air, water and soil / substances of concern and substances of very high concern	p.24, p.66~67

E-5 Resource Use and Circular Economy

ESRS	Disclosure Requirement	Page
E5-1	Policies related to resource use and circular economy	p.25~28, p.46~47
E5-2	Actions and resources related to resource use and circular economy	p.25~28, p.46~48
E5-3	Targets related to resource use and circular economy	p.25~28, p.46~47
E5-4	Resource inflows	p.63~64
E5-5	Resource outflows	p.25~28, p.67

ESG DISCLOSURE INDEX

ESRS INDEX

S1 - Own Workforce

ESRS	Disclosure Requirement	Page
S1-1	Policies related to own workforce	p.32, p.39~43
S1-2	Processes for engaging with own workers and workers' representatives about impacts	p.33~35
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	p.33~35
S1-4	Taking action on material impacts on own workforce, and effectiveness of those actions	p.32~39, p.40~43
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p.32, p.35, p.40~43
S1-6	Characteristics of the undertaking's employees	p.68~70
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	p.69
S1-8	Collective bargaining coverage and social dialogue	p.71
S1-9	Diversity metrics	p.35, p.69, p.71, p.73
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S1-13	Training and skills development metrics	p.34~38, p.70
S1-14	Health and safety metrics	p.40~43, p.71
S1-15	Work-life balance metrics	p.39
S1-16	Compensation metrics (pay gap and total compensation)	p.71
S1-17	Incidents, complaints and severe human rights impacts	p.33~35, p.71

S2 - Workers in the Value Chain

ESRS	Disclosure Requirement	Page
S2-1	Policies related to value chain workers	p.44~48
S2-2	Processes for engaging with value chain workers about impacts	p.44~45
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p.44~45, p.60~61
S2-4	Taking action on material impacts on value chain workers, and effectiveness of those actions	p.44~48, p.72
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p.44~46

G1 - Business Conduct

ESRS	Disclosure Requirement	Page
G1-1	Business conduct policies and corporate culture	p.60~61
G1-2	Management of relationships with suppliers	p.44~46
G1-3	Prevention and detection of corruption and bribery	p.60~61
G1-4	Confirmed incidents of corruption or bribery	p.61, p.73
G1-5	Political influence and lobbying activities	p.73

ESG DISCLOSURE INDEX

UN SDGS INDEX

Hankook Tire & Technology endorses the Sustainable Development Goals (SDGs) pursued by the UN and the global community, and has been actively committed to addressing the universal social and environmental challenges facing humanity and our planet. We vow to take diverse actions to contribute to the betterment of our society.

SDGs	Related Initiatives/Reporting Content	Page
No Poverty	Vehicle sharing and support for mobility-vulnerable groups	p.49~50
	Support for vulnerable groups through volunteer activities at global operational sites	p.49~50
Zero Hunger	Providing fertilizer, formic acid coagulant, and tools to smallholder natural rubber farmers	p.46
	Free nutritious meal service volunteering	p.43
Good Health and Well-being	Building a safety culture and accident prevention activities	p.40~43
	Health checkups, psychological counseling, and wellness-based health management	p.43
Quality Education	Training for company-wide leaders and grievance handling personnel	p.34
	Supporting employee growth and job-specific training	p.36~38
	Supplier ESG training and the SPARK Program	p.45
	Science education and road safety education for local communities	p.49~50
Gender Equality	Operating a women's leadership mentoring program	p.35
	Disclosure of the percentage of female managers and executives	p.70~71
Clean Water and Sanitation	Management of water pollutants and monitoring of discharged water	p.24
	Water reuse and water withdrawal reduction activities	p.27, p.66
Affordable and Clean Energy	Scaling renewable energy (PPA, photovoltaics)	p.23
	Optimizing energy efficiency and managing leaks	p.22
	Disclosure of energy consumption and intensity data	p.64~65
Decent Work and Economic Growth	Human rights management and protection of the working environment	p.32~35
	Talent development, performance management, and flexible work and family-friendly programs	p.36~39
	Occupational health and safety, and safety support for suppliers	p.40~43

SDGs	Related Initiatives/Reporting Content	Page
Industry, Innovation and Infrastructure	Advancing eco-friendly product R&D and LCAs (Life Cycle Assessment)	p.25~26
	Strengthening job capabilities through R&D and AI	p.37
	Product responsibility and quality management	p.48
Reduced Inequality	Strengthening diversity, inclusion, and women's leadership	p.35
	Operating grievance handling, flexible work, and family-friendly programs	p.34, p.39
Sustainable Cities and Communities	Community co-prosperity and vehicle sharing activities	p.49~50
	Activities to spread a culture of traffic safety	p.49~50
Responsible Consumption and Production	Advancing sustainable raw materials and the circular economy	p.25~28, p.46
	Expanding waste recycling and water reuse	p.27
	Operating a responsible minerals and responsible supply chain sourcing system	p.44~47
Climate Action	Advancing 2050 Net Zero and greenhouse gas reduction	p.21~23
	TCFD-aligned disclosure of climate risks and strategy	p.83~86
	Supplier Net Zero activities and supply chain emissions management	p.23, p.45
Life Below Water	Mangrove forest restoration activities	p.30
	Reducing water use and expanding water reuse	p.27
Life on Land	Biodiversity risk assessment and conservation activities	p.29~30, p.87~88
	EUDR response and natural rubber traceability management	p.10, p.46
Peace, Justice and Strong Institutions	Operating the Board of Directors, shareholder rights, and risk management systems	p.52~58
	Operating information security, ethicals, and compliance systems	p.59~61
Partnerships for the Goals	Participation in global initiatives (UNGC, WBCSD, TIP, GPSNR)	p.25, p.46, p.79
	Advancing supplier ESG training and collaboration	p.45

ESG DISCLOSURE INDEX

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

In line with TCFD recommendations, we make the following disclosures in the areas of governance, strategy, risk management and metrics & targets for climate-related risks and opportunities.

Governance

The Board's Oversight of Climate-related Risks and Opportunities

Hankook Tire & Technology established the ESG Committee under the Board of Directors in 2021, ensuring that its climate change response is managed and overseen from the highest level of governance. With sustainability positioned as a core value, the Committee reviews the company's ESG management strategy and mid- to long-term business plans, while material climate-related matters—including performance updates on key initiatives such as the Carbon Neutral Roadmap and company-wide GHG emissions reduction, together with related investment reviews—are reported to the Board at least once a year.

* **Reporting of Key Achievements**
- 2021: Approval of the Carbon Neutral Roadmap
- 2022: Renewable energy purchase plans and results of energy-saving activities
- 2023: SBTi validation outcomes; 2023 Climate Change Committee activity results (82 energy-saving initiatives); status of the transition toward mandatory global ESG disclosure regimes
- 2024: Implementation status of the Carbon Neutral Roadmap; 2024 Climate Change Committee activity results
- 2025: Strengthening of the Carbon Neutral implementation framework through the establishment of a global energy-saving platform

CDP Mapping — C4.1, C4.2, C4.3

Describe management's role in assessing and managing climate-related risks and opportunities

As Chair of the ESG Strategy Committee, the CEO (Chief Executive Officer) is responsible for setting Hankook Tire & Technology's company-wide direction on climate change response and for material investment decisions, while overall management, oversight, and accountability for the execution of climate strategy is vested in the CAO (Chief Administrative Officer). To ensure climate change response is embedded across the value chain, the chairs (responsible executives) of three ESG Steering Committees—Climate Change, Product Environment, and Supplier—are tasked with identifying priority initiatives and executing related investments, thereby reinforcing management accountability. The company's dedicated ESG function oversees the full scope of climate change response, including the Carbon Neutral Roadmap, SBTi target-setting, and TCFD disclosures, reporting relevant issues to responsible executives and the CAO on an ongoing basis, with material matters escalated directly to the Board of Directors. The ESG Strategy Committee, attended by the CEO and other C-suite executives, convenes once annually, while the Steering Committees meet three times a year to review quarterly matters and identify areas for improvement.

CDP Mapping — C4.3, C4.4

Strategy

Disclose the impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning over the short, medium, and long term.

Climate-related Risks

Category		Time Horizon			Key Risks	Potential Risks	Potential Financial Impacts	Response and Plan	CDP Mapping
		Short-tem	Mid-term	Long-term					
Transition risk	Policy and Legal (Current)	V	V	V	Policies associated with GHG emissions reduction regulations - GHG emissions trading scheme - National NDC and the Framework Act on Carbon Neutrality and Green Growth	- Delayed business permitting - Disruption to raw material procurement or supply chain reorganization	- Increased regulatory response and system-building costs - Increased raw material procurement costs	- Advance the natural rubber supply chain traceability system - Monitor nature-related regulations	C3.1
	Policy and Legal (Emerging)		V	V	Legislation of climate disclosures	- Enhanced stakeholder monitoring and emerging greenwashing issues	- Increased indirect costs (regulatory response) - Decreased profits (failure to meet stakeholder requirements)	- Establish an internal disclosure system and data management system - Strengthen climate change risk analyses and TCFD compliance	
					Supply chain due diligence laws	- Failure to comply with ESG regulations along the supply chain		- Establish supplier sustainability guidance and a supplier due diligence system	
					Digital Product Passport	- Digitizing product environmental information (incl. carbon footprint) for traceability and disclosure - Disclosure of product carbon footprint information to consumers	- Increased investment costs (building a digital traceability system)	- Review alternatives including RFID and barcodes for key production sites	
	Technology			V	Transition to low-carbon technologies and raw materials Development of resource circulation technology (incl. recycling)	- Risk of failed investment in low-carbon technologies and businesses - Increased R&D investment costs to secure low-carbon technologies and raw materials - Leading companies dominating the market and monopolizing core technologies - Risk of weakened cost and price competitiveness	- Increased direct/indirect costs (investment and transition costs, etc.) - Increased direct/indirect costs (purchase of RECs, rising raw material prices	- Secure low-carbon raw material technologies (proactively identify sustainable raw materials) - Conduct eco-friendly product R&D (lightweighting, improved rolling resistance) and review their commercial viability - Review resource circulation technologies (tire pyrolysis, recycling, etc.)	
	Market	V	V	V	Growing customer demand for carbon reduction and eco-friendly production	- Growing demand to manage product carbon footprint and use low-carbon raw materials - Contract failure with customers	- Increased direct/indirect costs (purchase of RECs, rising raw material prices	- Pursue long-term renewable energy contracts (incl. PPAs) - Expand product LCAs - Secure low-carbon raw materials and pursue certification (incl. ISCC PLUS) - Meet customer requirements through REC and other renewable energy certificate purchases	
		V	V		Increased volatility in fossil fuel prices	- Increased energy costs (electricity, LNG, etc.)	- Increased direct costs (energy purchase)	- Review energy transition investments (installation of PV power generators, PPAs, etc.)	
			V	V	Growing negative perception of petroleum-based raw material use	- Growing demand for eco-friendly (bio-based), low-carbon raw materials	- Increased direct costs (raw material costs); decreased profits if customer demands are unmet	- Conduct R&D on bio-based raw materials (e.g., rice husk silica, dandelion-derived materials)	
	Reputation	V	V	V	Implementation of carbon neutrality commitments	- Compromised external credibility due to substandard implementation	- Declining corporate value	- Lay the groundwork for continuous implementation (ESG management, internalization, management system)	
		V	V	V	Expansion of ESG assessments and growing demand to respond to them	- Decline in external ESG evaluation scores and ratings - Declining corporate investment value, stock prices, and credibility	- Declining corporate value and investment	- Identify and implement improvement tasks based on ESG assessment results - Proactively respond to global initiatives including the CDP	
Physical Risk	Acute	V	V		Increased frequency of extreme weather events such as typhoons, heavy rain, heavy snow, and hurricanes	- Damage to production and infrastructure facilities resulting from cold snaps, typhoons, and other climate events affecting the areas in which we operate	- Increased direct/indirect costs (plant maintenance, damage recovery, rising production costs, etc.)	- Conduct routine business-site maintenance (leak prevention, waterproofing, etc.) - Strengthen emergency-preparedness safety training - Support GPSNR (Global Platform for Sustainable Natural Rubber) activities	
	Chronic			V	Climate/ecosystem changes resulting from rising average global temperatures	- Disruption to raw material supply and rising prices resulting from abnormal climate events affecting the areas supplying imported raw/subsidiary materials (including natural rubber) - Increased frequency of physical risks materializing and direct damage to operational sites due to rising sea levels			

ESG DISCLOSURE INDEX

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

In line with TCFD recommendations, we make the following disclosures in the areas of governance, strategy, risk management and metrics & targets for climate-related risks and opportunities.

Strategy

Climate-related Opportunities

Category		Time Horizon			Key Opportunities	Potential Opportunities	Potential Financial Impacts	Response and Plan	CDP Mapping
		Short-term	Mid-term	Long-term					
Opportunity	Energy source	V	V	V	Participation in carbon markets Use of low-carbon energy	- Profit generation through the sale of surplus allowances - Profit-making opportunity through external reduction business development - Reduced energy costs through improved process energy efficiency - Participation in renewable energy programs and use of government subsidies	Increased profits from allowances trading Decreased direct/indirect costs (operating costs)	- Establish the carbon neutral roadmap and GHG reduction strategies - Manage allowances and engage in strategic trading - Achieve reductions through energy efficiency improvement and energy transition - Review the development of external reduction businesses	C3.6
	Resource efficiency		V	V	Efficient use of resources and their recycling and reuse	-Development of resource circulation technologies tire pyrolysis, end-of-life tire recovery, etc. - Improvement in raw material efficiency	Reduced direct/indirect costs (raw material purchase, waste treatment costs, etc.)	- Review investment in tire pyrolysis equipment and endeavor to reduce waste - Participate in technology research through the TIP (Tire Industry Project) - Improve process efficiency and yields	
	Markets, products, and services		V	V	Growing demand for low-carbon products and services Creation of eco-friendly businesses	- Facilitation of the EV product market resulting from the transition to EVs - Securing competitive advantages through reduced product carbon footprint - Identifying new businesses through business diversification	Increased profits resulting from growing demand for eco-friendly and low-carbon products and services	- Develop and produce EV-specific tires and launch brands - Develop and apply eco-friendly product technologies (lightweighting, improved rolling resistance) - Manage carbon footprint through LCAs - Continue with efforts for new business investment/discovery and business diversification	
	Resilience		V	V	Securing and diversifying alternative resources	- Development of eco-friendly raw materials and technology procurement	Increased investment returns through new technology procurement and other methods	- Conduct R&D on bio-based raw materials (silica derived from rice husks and materials extracted from dandelions) - Secure low-carbon raw material technologies (proactively identify sustainable raw materials)	

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Hankook Tire & Technology referred to the IEA NZE 2050 and RCP 8.5 scenarios in assessing the transition risks and physical risks arising from climate change.

IEA NZE 2050 Scenario

The IEA Net Zero Emissions (NZE) by 2050 scenario is a highly ambitious climate pathway that aims to limit the rise in average global temperatures to below 1.5°C by 2050. This scenario is anchored on the following key assumptions. First, it assumes a rapid expansion of renewable energy, particularly solar and wind, with the share of renewable energy expected to surpass 60% of global electricity generation by 2030. Second, it assumes sustained increases in carbon pricing, with carbon prices projected to reach USD 140 per ton by 2030 and USD 250 per ton by 2050, providing a powerful economic incentive for GHG emissions reduction. Third, the scenario requires substantial improvements in energy efficiency across key sectors including buildings, industry, and transport, with efficiency gains projected to exceed 30% by 2030. Fourth, it assumes the rapid development and commercialization of low-carbon technologies, including renewable energy technology, carbon capture and storage (CCS), electric vehicles, and hydrogen-powered vehicles. This scenario is nonetheless subject to material uncertainty: national policy direction, the pace of technological progress and commercialization, global economic growth, and shifts in energy demand may all affect the speed of the energy transition, while upfront investment costs, financing constraints, and infrastructure gaps represent further limiting factors. The findings of this scenario analysis have materially informed the company's financial planning, target-setting, and transition strategy development.

In anticipation of rising carbon prices, Hankook Tire & Technology is expanding facility investment in carbon emissions reduction and actively pursuing energy efficiency improvements and reduction initiatives across its global production plants. Given its comparatively high exposure to carbon regulations, the Hungary Plant entered into a solar-based power purchase agreement (PPA) in 2025 to expand its use of renewable energy. Under this agreement, approximately 20% of the plant's current electricity consumption is now met through renewable sources. This has enabled the company to establish a stable foundation for renewable energy procurement and to sustain its efforts to reduce GHG emissions.

CDP Mapping — C5.1, C5.2

ESG DISCLOSURE INDEX

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

In line with TCFD recommendations, we make the following disclosures in the areas of governance, strategy, risk management and metrics & targets for climate-related risks and opportunities.

Strategy

RCP (Representative Concentration Pathways) 8.5 Scenario

RCP 8.5, as presented in the IPCC's 5th Assessment Report, corresponds to a scenario in which GHG emissions continue at their current trajectory. Under this scenario, human activity is projected to drive atmospheric CO_2 concentrations to 940 ppm by the end of the 21st century (2070-2099), with average global temperatures rising by 4.8°C and precipitation increasing by 6.0%. In Korea, average temperatures are projected to rise by 6.0°C and precipitation to increase by 20.4%, underscoring Asia's relative vulnerability to climate change compared with the rest of the world. Hankook Tire & Technology operates eight manufacturing plants, five of which are located in Asia. The extreme weather events that are becoming increasingly frequent under rising average temperatures, including torrential downpours, typhoons, and heatwaves, have the potential to damage production and infrastructure facilities and disrupt the supply of raw materials. Natural rubber represents a particularly significant risk factor in this respect, given that it is sourced predominantly from Southeast Asia and accounts for the largest share of raw material procurement costs. In response, Hankook Tire & Technology has established mid- to long-term targets for sustainable raw material use and incorporated these targets into its Carbon Neutral Roadmap. The company is pursuing R&D on alternative raw materials in conjunction with its activities under the GPSNR (Global Platform for Sustainable Natural Rubber), with related key initiatives managed through the Product Environment Steering Committee. In addition, the company conducts regular maintenance, including annual inspections of leak-prone areas, and has strengthened emergency-response safety training in order to build preparedness against damage from weather events such as heavy rainfall.

※ For further details on Hankook Tire & Technology's Carbon Neutral Roadmap, refer to p.4 of the ESG Report 2021/22.

Risk Management

Processes for Identifying and Assessing Climate-related Risks

Hankook Tire & Technology periodically identifies and assesses climate change issues and risks. The company's dedicated ESG organization identifies climate-related risks and opportunities by reference to climate change risks, internal and external issues, stakeholder requirements, and recent trends. Identified risks are prioritized based on their impact, urgency, and likelihood of occurrence, and key risks and opportunities are reported to top management and the ESG Strategy Committee, where they are reflected in key ESG initiatives and budgets. Additional risks identified in relation to changes in domestic and international regulations, or internal and external issues affecting the company's operational sites, are also reported to responsible executives and the CAO on an ongoing basis as necessary. At the ESG Strategy Committee meeting held in 2025, the Committee discussed the price competitiveness of a range of carbon neutrality technologies, benchmark cases from other companies, and recent trends in renewable energy and sustainable raw material pricing, along with their potential applicability to the company. The Climate Change Committee also reviewed the company's progress against its plans and targets.

CDP Mapping — 2.2

Processes for Managing Climate-related Risks

As climate-related risks arise across the entire value chain, they are managed by three of the company's eight ESG Steering Committees—Climate Change, Supplier, and Product Environment. The Climate Change Committee develops and implements key initiatives addressing risks at the manufacturing stage corresponding to Scope 1 and 2 emissions, while the Supplier and Product Environment Committees do the same for risks relating to the supply chain, raw material acquisition, product development, and life cycle assessment, which fall within the Scope 3 emissions category. Initiatives from all Steering Committees are proposed and presented as agenda items to the ESG Strategy Committee, with progress monitored through the Steering Committees at least three times a year. The ESG Team manages the operation of both the ESG Strategy Committee and all Steering Committees, and is also responsible for sharing risks identified throughout the year beyond established initiatives, ensuring they are translated into the company's climate-related tasks as appropriate.

CDP Mapping — C2.2

How Processes for Identifying, Assessing, and Managing Climate-related Risks Are Integrated into the Organization's Overall Risk Management

To ensure company-wide risk management, relevant departments compile risks by type—including their specifics, responsible personnel, deadlines, and assessment methods—on an annual basis. The ESG Team shares key issues arising from identified climate-related risks to ensure they are reflected in the company's overall management system, and has shared the anticipated financial implications relating to the emissions trading scheme (projected purchase and sale amounts). In addition, the CEO and CAO identify emerging issues and potential risks each year through the ESG Strategy Committee, while executives responsible for equipment, research, procurement, finance, and other relevant functions—serving as Chairs of the respective ESG Steering Committees—identify and implement key initiatives to manage risks accordingly.

CDP Mapping — C2.2

ESG DISCLOSURE INDEX

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

In line with TCFD recommendations, we make the following disclosures in the areas of governance, strategy, risk management and metrics & targets for climate-related risks and opportunities.

Metrics & Targets

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

Hankook Tire & Technology manages both total volumes and intensity as evaluation metrics, based on Scope 1, 2, and 3 emissions (tCO_2-eq), global production volumes (ton), and energy consumption.

CDP Mapping — C7.54

Scope 1, 2, 3 Greenhouse Gas Emissions Data

Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks Hankook Tire & Technology systematically manages and discloses its Scope 1, 2, and 3 emissions data through an internal process, and has such data externally verified to enhance its credibility. The scope of its Scope 1 and 2 emissions calculations has been extended beyond the company's eight manufacturing sites to include certain subsidiaries and domestic offices. The company's emissions have followed a general downward trend since peaking in 2019, accompanied by steady improvements in intensity. For Scope 3 emissions, the company has selected eight categories as its primary management scope, taking into account emissions volume, reduction potential, and significance, and calculates these emissions with reference to the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. All of its externally verified Scope 1, 2, and 3 data are transparently disclosed through the Carbon Disclosure Project (CDP), and this information is also available in the Appendix of this ESG Report.

Category	2022	2023	2024	2025
Purchased goods and services	2,594,189	2,581,936	2,717,292	2,864,128
Capital goods	156,972	189,687	219,865	482,257
Fuel and energy-related activities not included in Scope 1 and Scope 2	335,798	239,281	243,191	241,413
Upstream transportation and distribution	432,253	504,126	524,571	605,604
Waste generated in operations	10,136	11,003	10,194	9,285
Downstream transportation and distribution	7,476	8,697	34,350	39,475
Use of sold products[1]	25,501,726	25,825,175	25,727,447	26,449,278
End-of-life treatment of sold products	14,092	7,557	7,681	9,473
Investments	52,038	51,481	85,327	-
Total	**29,104,680**	**29,418,944**	**29,569,918**	**30,700,912**

1) While tires do not directly consume fuel and do not correspond to this category according to the GHG Protocol, we made calculations on this category as optional emissions to track our yearly emissions trajectory and did not include this in our SBTi target.

Describe the targets used by the organization to manage climate-related risks and opportunities and their performance against targets

In line with the SBTi, Hankook Tire & Technology targets a 46.2% reduction in Scope 1 and 2 emissions from its operations by 2030, and a 27.5% reduction in Scope 3 emissions across its value chain by 2030, both measured against a 2019 base year, in pursuit of net zero emissions by 2050. To mitigate Scope 1 and 2 emissions, the company pursues the use of high-efficiency equipment, energy optimization, and the adoption of renewable energy. To reduce Scope 3 emissions, the company continues to advance the use of eco-friendly materials, provide suppliers with net zero guidance, and embrace eco-friendly product design. In 2025, Hankook Tire & Technology achieved an approximate 13.7% reduction in Scope 1 and 2 emissions against the 2019 baseline.

※ For further details on our reduction activities in 2025, see pp. 21-23 of this report.

CDP Mapping — C7.55

ESG DISCLOSURE INDEX

TNFD TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES

In line with TNFD recommendations, we make the following disclosures in the four pillars of governance, strategy, risk management and metrics & targets for nature-related risks and opportunities.

Governance

Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities

Hankook Tire & Technology established the ESG Committee under the Board of Directors in 2021 to manage and oversee sustainability risks across its overall business operations—including natural capital issues—at the highest level of governance. The ESG Committee incorporates material nature-related issues, encompassing both climate change and biodiversity, as key items within the company's sustainability management strategy and mid- to long-term business plans, and reports on biodiversity activity plans including the results of site-level risk analyses conducted in accordance with the TNFD's LEAP approach at least once a year.

Describe management's role in assessing and managing nature-related risks and Opportunities

The CEO (Chief Executive Officer), serving as Chair of the ESG Strategy Committee, is involved in setting the company's overall direction in responding to nature-related risks and in making key investment decisions related to biodiversity. For nature-related issues including the company's response to the TNFD, the Chairs (responsible executives) of two ESG Steering Committees—SHE and Corporate Philanthropy—are responsible for identifying key initiatives and executing related investments, thereby reinforcing management accountability. Hankook Tire & Technology's dedicated ESG organization manages the full scope of the company's nature-related risk response, including performance analysis against nature-related targets and risk prioritization based on LEAP analysis results, with material matters reported directly to the Board of Directors. The ESG Strategy Committee, attended by the CEO and other C-suite executives, convenes once annually, while the Steering Committees meet three times a year to review quarterly matters and identify areas for improvement.

Strategy

Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material

Nature-related Risks

Category		Time Horizon			Key Risks	Potential Risks	Potential Financial Impact	Response and Plan
		Short-term	Mid-term	Long-term				
Transition	Policy and legal	V	V		- Enhanced nature-based global regulations, including the EUDR - Regulations on biodiversity conservation, restoration, and disclosure	- Delayed business permitting - Disruption to raw material procurement or supply chain reorganization	- Increased regulatory response and system-building costs - Increased raw material procurement costs	- Advance the natural rubber supply chain traceability system - Continue monitoring nature-related regulations
Transition	Technology			V	- Growing demand for the transition to low-carbon, eco-friendly materials - Adoption of nature-low-impact products and process technologies	- Increased burden of investment in new equipment and technology - Schedule delays during process transition	- Increased capital expenditure and R&D costs - Potential short-term profitability decline	- Expand research into eco-friendly materials and circular materials - Secure low-carbon raw materials and pursue certification
Transition	Market	V	V	V	- Expanding market demand for sustainable products - Changing customer and investor purchasing/evaluation criteria	- Weakened competitiveness of existing products - Demand shift toward eco-friendly products	- Decreased sales of existing products - Increased costs of product portfolio transition	- Strengthen sustainability reporting to customers - Expand a market-tailored eco-friendly product portfolio
Transition	Reputation	V	V	V	- Growing nature-related expectations from stakeholders - Higher standards for ESG and nature-related assessment and disclosure	- Decline in ESG evaluation scores and weakened stakeholder trust - Decline in brand value and investment attractiveness	- Potential decline in corporate value - Increased burden in attracting investment and raising capital	- Expand TNFD-based disclosure scope and management systems - Identify and implement improvement tasks based on ESG evaluation results
Physical Risk	Acute	V	V		- Occurrence of abnormal weather events such as typhoons, floods, and heatwaves - Increased frequency of natural disasters	- Business site operation disruption and logistics delays - Heightened worker safety risks	- Increased disaster recovery and maintenance costs - Sales losses due to production disruption	- Continue site facility inspections and preventive maintenance - Strengthen safety training for emergency response
Physical Risk	Chronic			V	- Long-term temperature rise and changing precipitation patterns - Declining productivity of natural resources	- Disruption to raw material supply and increased price volatility - Declining productivity and increased product quality management costs	- Rising raw material costs - Declining production efficiency and increased quality management costs	- Develop water-saving and process efficiency technologies - Review restoration and Nature-based Solutions (NbS)-based response measures

Nature-related Opportunities

Category		Time Horizon			Key Risks	Potential Risks	Potential Financial Impact	Response and Plan
		Short-term	Mid-term	Long-term				
Opportunity	Spatial	V	V		- Restoration and priority management of high-risk locations - Strengthened management in coordination with the supply chain and local communities	- Enhanced supply chain stability through restoration activities - Strengthened foundation for community collaboration	- Enhanced asset value and business stability - Improved permitting and operational acceptance	- Conduct priority analysis based on STAR (Species Threat Abatement and Restoration) scores - Build a collaboration framework with local communities and stakeholders
Opportunity	Market-based	V	V	V	- Formation of a sustainable sourcing market - Strengthening customer demand for supply chain sustainability	- Entry into new markets - Enhanced brand competitiveness and customer trust	- Revenue growth and expanded customer base - Potential improvement in market share and price competitiveness	- Advance the sustainable sourcing system - Diversify regional market portfolios
Opportunity	Operational	V	V	V	- Improved resource efficiency and expanded use of recycled materials - Reducing nature-related impacts within production processes	- Improved operational efficiency - Strengthened eco-friendly corporate image	- Cost savings - Improved productivity and profitability	- Expand waste recycling and develop resource-light new products - Transition to eco-friendly materials and establish an LCA-based product strategy

ESG DISCLOSURE INDEX

TNFD TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES

In line with TNFD recommendations, we make the following disclosures in the four pillars of governance, strategy, risk management and metrics & targets for nature-related risks and opportunities.

Risk Management

Processes for Identifying and Assessing Nature-related Risks and Opportunities

Hankook Tire & Technology regularly identifies and evaluates nature-related issues and risks in accordance with the TNFD framework. The company's dedicated ESG organization compiles internal and external issues, policy developments, regulatory trends, and stakeholder expectations relating to water quality, soil, air quality, and biodiversity to proactively identify nature-related risks and opportunities. To support this identification process, data-based tools—including the IBAT (Integrated Biodiversity Assessment Tool), the WWF Biodiversity Filter, the WWF Water Filter, and ENCORE—were used to analyze each operational site for overlap with the distribution of species on the IUCN Red List, protected areas (PAs), and key biodiversity areas (KBAs). The findings provided the basis for calculating area-level threat reduction scores and restoration scores to establish priorities.

Processes for Managing Nature-related Risks and Opportunities

As nature-related risks arise across the entire value chain spanning biodiversity, water quality, air quality, and soil, they are managed on an integrated basis by two of the company's eight ESG Steering Committees: SHE and Corporate Philanthropy. The SHE Committee develops response strategies centered on the environmental impacts of operational sites, while the Corporate Philanthropy Committee oversees support activities for biodiversity conservation. The ESG Team oversees the operation of both Committees, sharing nature-related risks identified throughout the year and ensuring they are reflected in related initiatives or improvement tasks. The Steering Committees convene at least three times a year, with implementation status reviewed on a quarterly basis.

How the Processes for Identifying, Assessing, and Managing Nature-related Risks Are Integrated into the Organization's Overall Risk Management System

To manage nature-related risks, their specifics including the type of risk, magnitude of impact, and response measures are compiled regularly by relevant departments. The ESG Team shares a risk map summarizing key nature-related risks identified through the LEAP approach, together with materiality ranking results, with related departments, ensuring these insights are incorporated into the company's overall risk management system in alignment with its restoration investments and infrastructure improvement plans. In addition, the CEO reviews emerging issues and potential risks each year through the ESG Strategy Committee, while executives responsible for facilities, research, procurement, finance, and other relevant functions identify and implement key initiatives as Chairs of the respective ESG Steering Committees to manage risks accordingly.

Metrics & Targets

Metrics Used by the Organization to Assess and Manage Nature-related Risks and Opportunities in Line with Its Strategy and Risk Management Process

Hankook Tire & Technology assesses risks and opportunities across natural capital broadly, encompassing not only biodiversity but also water quality and air quality. To this end, the company monitors a range of internal and external metrics, key among which are the following.

- ENCORE-based metrics for the tire sector's dependencies and impacts on water, air, and soil
- Site-level nature-related risk assessment results based on the IBAT and the WWF Risk Filter
- Scores indicating the potential contribution to threat reduction and ecosystem restoration, based on STAR scores
- Number of protected areas and endangered species at the plant level in line with Performance Standard 6 (PS6)

The ESG Team regularly reviews these metrics, which are used to comprehensively evaluate each plant for its financial implications and the feasibility of opportunity materialization.

ESG DISCLOSURE INDEX

UNGC / MEMBERSHIPS

UN Global Compact (UNGC)

Since joining the UN Global Compact in 2012, a leading global initiative on sustainability management, Hankook Tire & Technology has endorsed its Ten Principles and remained committed to abiding by them. We report on our progress in this regard through this report, and will continue to uphold these principles to fulfill our role as a responsible corporate citizen.

Principle		Report Content	Page
Principle	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Human rights and diversity	p. 32~35
	Principle 2: make sure that they are not complicit in human rights abuses.		
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Human rights and talent	p.32~39
	Principle 4: the elimination of all forms of forced and compulsory labour;		
	Principle 5: the effective abolition of child labour; and		
	Principle 6: the elimination of discrimination in respect of employment and occupation.		
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	Environmental management, climate action, pollutant management, resource use and circular economy, biodiversity, sustainable raw materials, and product responsibility	p.20~30, p.46~48
	Principle 8: undertake initiatives to promote greater environmental responsibility; and		
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.		
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Ethics and compliance	p.60~61

Sustainability-related Membership in Associations and Organizations

Korea Enterprises Federation	Korea International Trade Association	Korea Chamber of Commerce and Industry
Korea Tire Manufacturers Association (KOTMA)	European Tyre&Rubber Manufacturers Association (ETRMA)	U.S. Tire Manufacturers Association (USTMA)
Japan Automobile Tyre Manufacturers Association (JATMA)	Korea Rubber Industry Association	Korea Industrial Safety Association
UN Global Compact (UNGC)	Korea Business Council for Sustainable Development (KBCSD)	World Business Council for Sustainable Development (WBCSD), Tire Industry Project (TIP)
Global Platform for Sustainable Natural Rubber (GPSNR)	Korean Standards Association	Korea Environmental Preservation Association

ASSURANCE & OPINIONS

VERIFICATION OPINION STATEMENT

GHG Report Verification Hankook Tire & Technology

Verification Target
Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of GHG Report of Hankook Tire & Technology[1] (hereinafter 'Company') for 2025.

1) Organization address: 286, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea

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

Verification Scope
KFQ's verification covered all facilities and emission sources under the operational control and organizational boundary of Company during 2025.

Verification Criteria
The verification process was based on [Rule for emission reporting and certification of GHG emission trading Scheme[2]], [Rules for verification of operating the GHG emission trading scheme[3]] and [ISO14064-3] for every applicable part.

2) Notification No. 2025-64 of Ministry of Environment
3) Notification No. 2025-165 of Ministry of Environment

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

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

Verification Opinions
KFQ present the following conclusions regarding the GHG emissions data included in the GHG Report. GHG emissions have been appropriately calculated according to the "Rule for emission reporting and certification of GHG emission trading Scheme" and "ISO14064-1" methodologies. The materiality assessment result of GHG emissions has satisfied the criteria for an organization that emits less than 500,000 tCO_2-eq by meeting less than 5% of the total emissions. Thus, KFQ concludes that GHG Emissions of Company in 2025 is correctly calculated and reported in accordance with "Rule for emission reporting and certification of GHG emission trading Scheme".

Unit: tCO_2eq

Business	Scope 1	Scope 2	Total
Daejeon Plant	9,643.904	80,488.38	90,132
Geumsan Plant	77,727.501	182,099.704	259,827
Hankook Engineering Lab	22.048	1,868.144	1,890
Distribution Centers	0	655.844	655
(Former) Sales Offices	608.954	661.277	1,270
Technodome[R&D Center]	1,667.82	8,139.034	9,806
Technoplex	299.088	1,227.724	1,526
Technoring	0	859.387	859
Total	**89,969.314**	**275,999.494**	**365,965**

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

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2026-04-06
CEO Ji-Young Song
Korean Foundation for Quality

Ji Young Song

ASSURANCE & OPINIONS

VERIFICATION OPINION STATEMENT

GHG Emissions Verification Hankook Tire & Technology

Verification Target

Korean Foundation for Quality (hereinafter "KFQ") has conducted a verification of Scope 1, 2, 3 Greenhouse Gas Emissions (hereinafter "GHG emissions") of Hankook Tire & Technology1) (hereinafter "Company") for 2025. KFQ is responsible for providing an assurance statement on the GHG emissions based on the verification scope and criteria described below, while the responsibility for the claims made regarding the GHG emissions rests with the company.

1) Address: 286, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, Republic of Korea

Verification Purpose

The purpose is to provide an independent verification opinion on the company's voluntary GHG emissions inventories.

Verification Scope

Scope 1, 2: As of 2025, 6 overseas operations of the Company, 4 domestic operations and subsidiaries2) / Scope 3: Eight emission categories3) selected by the company during 2025.

2) Scope: Overseas operations (HP, JP, CP, MP, IP, TP), Domestic subsidiaries (HDP, HEW, HPW, MS)
3) Category: Category 1, 2, 3, 4, 5, 9, 11, 12

Verification Criteria

The following criteria and coefficients used by the company were applied.

- Criteria
- ISO 14064-1:2018, ISO14064-3:2019
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- GHG Protocol Corporate Standard
- WBCSD/WRI, Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Rule for emission reporting and certification of greenhouse gas emission trading scheme
- Coefficient
- Environmental Product Declaration evaluation coefficient (2021)
- Ecoinvent database
- TIP_PCR_RawMat_LCIA (4.0 version)
- Ecoeye EEIO (2022)
- IEA, Life Cycle Upstream Emission Factors 2023 - Pilot Edition

Level of Assurance

The verification has been conducted in accordance with the verification principles and standards of the "ISO14064-3:2019" under the limited verification level.

Verification Limitation

GHG emissions verification involves inherent limitations that may arise depending on the organization's data characteristics, calculations and estimates, sampling method, and limited assurance level. Additionally, this verification does not include responsibility for the accuracy of the original data provided by the company.

Conclusion

1) The data and information used in calculating the GHG emissions were appropriate, reasonable, and no significant errors or omissions could affect verification statement were not found.
2) For Scope 1, 2 emissions, GHG emissions Company were properly calculated according to the verification standards. The materiality assessment result of GHG emissions has met the agreed-upon criterion of less than 5%.
3) For Scope 3 emissions, The criteria and process established by the company for calculating GHG emissions were transparently documented in the internal calculation process to prevent potential misunderstandings.
4) Accordingly, KFQ provides a verification opinion that is "Unmodified".

Unit: tCO_2eq

Division	Scope 1	Scope 2	Scope 1+2	Scope 3
Location based[1]	126,349	593,053	719,402	30,700,912
Market based[2]	126,349	606,001	732,350	30,700,912

* Total emissions from each site are rounded, the company's total emissions may differ from the actual values by ±1 tCO_2eq.
1) The 'Location-based' refers to greenhouse gas emissions reported in Scope 2 based on electricity use based on the national power grid.
2) The 'Market-based' refers to Scope 2 greenhouse gas emissions reflecting the purchase of renewable energy power.

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2026-05-26
CEO Ji-Young Song
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Ji Young Song

ASSURANCE & OPINIONS

VERIFICATION OPINION STATEMENT

Appendix. 2025 Emissions Calculation Results

Organization
Hankook Tire & Technology

Emission calculation period
The emission calculation period is from January 1st to December 31st, 2025.

Scope 1, 2 Emissions verification Results

Unit: tCO_2eq

Site	Scope 1	Scope 2	Total
Jiangsu Plant, China (HP)	940	160,175	161,114
Jiaxing Plant, China (JP)	2,055	181,087	183,142
Chongqing Plant, China (CP)	25,358	58,244	83,602
Hungary Plant (MP)	44,633	48,208	92,841
Indonesia Plant (IP)	30,590	98,811	129,402
Tennessee Plant, USA (TP)	22,159	32,054	54,213
Hankook Donggeurami Partners (HDP)	-	382	382
Hankook Engineering Works (HEW)	183	4,403	4,586
Hankook Precision Works (HPW)	406	6,380	6,786
Model Solution (MS)	24	3,309	3,333
Total	**126,349**	**593,053**	**719,402**

Scope 3 Emissions verification Results

Unit: tCO_2eq

No.	Category	Emissions
1	Purchased goods & services	2,864,128
2	Capital goods	482,257
3	Fuel and Energy-related activities not included in Scope 1+2	241,413
4	Upstream transportation and distribution	605,604
5	Waste generated in operations	9,285
9	Downstream transportation and distribution	39,475
11	Use of sold products[1]	26,449,278
12	End of life treatment of sold products	9,473
Total		**30,700,912**

1) Emissions due to fuel consumption due to frictional resistance and rolling resistance of sold tires.

* Because total emissions from each site are rounded, the company's total emissions may differ from the actual values by ±1 tCO_2eq.

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ASSURANCE & OPINIONS

INDEPENDENT ASSURANCE STATEMENT

To the Stakeholders of HANKOOK TIRE & TECHNOLOGY CO., LTD.

The Korea Productivity Center (hereinafter the "Assurer") was appointed by HANKOOK TIRE & TECHNOLOGY CO., LTD. (hereinafter the "Company") to provide independent assurance of its "2025-2026 HANKOOK TIRE & TECHNOLOGY CO., LTD. Sustainability Report" (hereinafter the "Report"), and hereby presents the following assurance statement.

Responsibility and Independence

The Company is fully responsible for the reliability and accuracy of all the information and opinions presented in the Report. The Assurer is responsible solely for the third party assurance of the content in the Report. As an independent assurance agency, the Assurer was neither involved in the process of preparing the Report, nor in any conflicts of interest that may undermine our independence.

Assurance Standard and Method

This assurance was conducted in accordance with Type 2 assurance and the Moderate Level based on AA1000AS (2020)[1].

The Assessor reviewed whether the Client complied with the four principles of inclusivity, materiality, responsiveness, and impact presented by AA1000AP (2018)[2]. Based on the four-principle composition method, we carried out the assessment service.

On the basis of documents and information presented by the Client and in the field interviews, we checked all indicators and information specified in the Report to confirm their balance, comparability, accuracy, timeliness, clarity, and reliability.

Methodology

This assurance was conducted through the following methods:

· Verified if the requirements of the GRI Standards 2021 were fulfilled.

· Verified the compliance with the principles of the Report contents and quality based on the GRI Standards 2021.

· Verified the selection of material issues covered and the appropriateness of the contents.

· Verified the suitability of the contents and any errors in expression through a comparison analysis with other sources.

· Verified the basis of Core data and information and the internal process and system through on-site inspection at the headquarters in Seoul.

Findings and Conclusion

It is the Assurer's opinion that the Report represents the sustainability efforts and performance results of the Company in a fair and accurate way. In addition, the Assurer verified that the Report fulfils the requirements of GRI Standards 2021. It was confirmed that the contents of the Report is in compliance with General Disclosure, and the material issues are reported following the Material Topic and related Topic Disclosure.

1) AA1000AS (2020): AA1000 Assurance Standard (2020) is the global assurance standard established by Accountability to provide a comprehensive way of verifying an organization's management, compliance with the principles and reliability of performance data for reporting its sustainability issues.

2) AA1000AP (2018): AA1000 Accountability Principles Standard (2018) is the global assurance principles established Accountability to provide the basis for the AA1000 Assurance Standard.

[Universal Standards]

Organizational and its reporting practices (2-1~5), Activities and workers (2-6~8), Governance (2-9~21), Strategy, policies and practices (2-22~28), Stakeholder engagement (2-29~30), Material topics (3-1~3)

[Topic Standards]

Economic Performance (201-2), Procurement Practices (204-1), Anti-corruption (205-1~3), Materials (301-1~2), Energy (302-1,3~4), Water and Effluents (303-1~5), Emissions (305-1~5,7), Waste (306-1~5), Supplier Environmental Assessment (308-1~2), Employment (401-1~3), Occupational Health and Safety (403-1~10), Training and Education (404-1~3), Diversity and Equal Opportunity (405-1~2), Non-discrimination (406-1), Child Labor (408-1), Forced or Compulsory Labor (409-1), Local Communities (413-1), Supplier Social Assessment (414-1~2), Customer Health and Safety (416-1~2), Marketing and Labeling (417-3), Customer Privacy (418-1)

· Inclusivity: Stakeholder Engagement

The Assurer confirmed that the Company communicated with stakeholders to comply with the Inclusivity principle through the relevant communication channels. The Company defined its five stakeholder groups as customers, partners, local communities, shareholders and investors, and employees, and collected opinions from stakeholders through communication channels that considered the different characteristics of each stakeholder. Collected opinions were reflected in management strategies, and is also verified that this type of management decision-making process is a good example.

· Materiality: Identification and Reporting of Material Issues

The Assurer verified that the Company used a materiality test process for identifying its material issues. In particular, the Company identified its material issues through an analysis of international standards and evaluation criteria such as GRI Standards 2021, UN SDGs, ESRS, media research, benchmarking of cases in the same industry and major companies.

The Company also collected opinions on environmental and social factor and financial impact from internal and external stakeholders. In addition, the Assurer verified that the Company proposed its future strategy to respond to the selected issues by reporting the issues derived from the materiality test process in accordance with the Stakeholder Matrix.

· Responsiveness: Organization's Response to Issues

It was verified that the Company diagnosed major expectations that affect the stakeholders' performance and established appropriate measures to respond to them, of which the contents were properly stated on the Report. In particular, the Assurer verified the Company's response to material issues objectively through an annual survey and interview of stakeholders. Moreover, the Report earnestly discloses all corresponding activities and their performances regarding the major issues of sustainability management.

ASSURANCE & OPINIONS

INDEPENDENT ASSURANCE STATEMENT

- Impact: Measuring Sustainability Impact
  The Company considers the societal impact of the organization by establishing the boundaries of the impact of major issues. Moreover, the Report earnestly discloses the product and development activities to focus on the environmental and safety impacts of the product and social issues and to minimize the negative impact through ESG management.

- Reliability: Reliability and quality of specific information
  In addition to compliance with AA1000AP (2018) principles, the Assurer conducted reliability verification on economic, environmental, and social performance information related to sustainability performance. Interviews were conducted with the person in charge to verify the information and data, and it was confirmed that the information was reliable through data sampling, supporting documents, and external sources and public data. We found no intentional errors or misstatements in the sustainability performance information.

Limitations

The Assurer verified the Report based on the aforementioned assurance standards. The on-site verification was carried out at the headquarters in Seoul. The financial data in the Report was verified through the financial statements and disclosure information which was audited by an auditor, while the aggregated data at the corporate level are used for the verification of Environmental and Social performance. The Assurer discloses that the results may vary if further verification procedures are performed. The Assurer expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Recommendation

The Assurer recognizes the diverse efforts and performance made by the Company and suggests the following for the Company's publication of the Report in the future and the improvement of its sustainability standards:

- The Company identified 8 material issues for each area of environment, society, and governance. The Company has systematically managed these issues and transparently discloses strategies, policies, governance, activities, and performance of each issue. In the future, it is recommended that the Company continuously monitor and disclose ESG management and business performance so that it can be shared with stakeholders.

kpc SMART KPC 한국생산성본부

AA1000 Licensed Report 000-81/V3-EWVLR

June 2026
CEO Sung-Joong Park

Yong-Hwa Lee, Director

The ESG Consulting Center of the Korea Productivity Center is a fully qualified independent assurance agency. It is officially certified by AccountAbility that established AA1000, the international standard for stakeholder engagement and assurance. It has the Assurance Committee with of experienced experts who are qualified for the consultation and assurance of sustainability practice.

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