Hankook Tire & Technology Co., Ltd.

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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04/09/2025, 02:03 am

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ KRW

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Hankook Tire & Technology Co., Ltd. is Korea's first tire manufacturer, growing together with Korea's tire industry. It is the No. 1 tire company in Korea that currently sells the largest number of automobile tires in the region. Moreover, with four regional headquarters, thirty sales branches, five R&D centers and eight production sites around the world, the company sells its products in over 180 countries, ranking world's 7th-largest tire manufacturer in terms of sales. It is a global company with more than 80% of its total sales in overseas markets. Hankook Tire & Technology, loved by its customers for its exceptional quality and customer satisfaction, will continue to develop an environmentally-friendly technology and carry out diverse activities that can contribute to the local community, to share and give back the love from the customers and continue to achieve healthy and sustainable growth. [Ref. 1] Our official corporate name was changed to further enhance our technology-based innovation to reach out to our customer from May 8, 2019. (from "Hankook Tire Co., Ltd." to "Hankook Tire & Technology Co., Ltd.") However, we use both the previous and current names to maintain brand value. [Ref. 2] Tennessee Plant was newly included in the organizational boundaries since 2018.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/30/2023	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

8939621475507

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

161390

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

9884008RRMX1X5HV6625

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

557822315

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ China

☑ Hungary

☑ Indonesia

☑ Republic of Korea

☑ United States of America

(1.8) Are you able to provide geolocation data for your facilities?

(1.8.1) Are you able to provide geolocation data for your facilities?

Select from:

☑ Yes, for all facilities

(1.8.2) Comment

Yes, we provide geolocation data for our facilities. Hankook Tire & Technology operates globally, with major facilities in South Korea (Daejeon, Geumsan), China (Jiaxing,Jiangsu and Chongqing), Hungary (Rácalmás), the United States (Tennessee), and Indonesia (Bekasi).
[Fixed row]

(1.8.1) Please provide all available geolocation data for your facilities.

Row 1

(1.8.1.1) Identifier

Jiangsu Plant

(1.8.1.2) Latitude

33

(1.8.1.3) Longitude

120

(1.8.1.4) Comment

Country: China

Row 2

(1.8.1.1) Identifier

Geumsan Plant

(1.8.1.2) Latitude

36.133

(1.8.1.3) Longitude

127.5

(1.8.1.4) Comment

Country: South Korea

Row 3

(1.8.1.1) Identifier

Indonesia Plant

(1.8.1.2) Latitude

-6.0

(1.8.1.3) Longitude

107.0

(1.8.1.4) Comment

Country: Indonesia

Row 4

(1.8.1.1) Identifier

Hungary Plant

(1.8.1.2) Latitude

47.0

(1.8.1.3) Longitude

19.0

(1.8.1.4) Comment

Country: Hungary

Row 5

(1.8.1.1) Identifier

Daejeon Plant

(1.8.1.2) Latitude

36.439

(1.8.1.3) Longitude

127.5

(1.8.1.4) Comment

Country: South Korea

Row 6

(1.8.1.1) Identifier

Chongqing Plant

(1.8.1.2) Latitude

30.0

(1.8.1.3) Longitude

108.0

(1.8.1.4) Comment

Country: China

Row 7

(1.8.1.1) Identifier

Jiaxing Plant

(1.8.1.2) Latitude

28.0

(1.8.1.3) Longitude

121.0

(1.8.1.4) Comment

Country: China

Row 8

(1.8.1.1) Identifier

Tennessee Plant

(1.8.1.2) Latitude

36.56

(1.8.1.3) Longitude

-87.24

(1.8.1.4) Comment

Country: United States
[Add row]

(1.21) For which transport modes will you be providing data?

Select all that apply

☑ Light Duty Vehicles (LDV)

☑ Heavy Duty Vehicles (HDV)

(1.22) Provide details on the commodities that you produce and/or source.

Palm oil

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Manufacturing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ No, the total volume is confidential

(1.22.11) Form of commodity

Select all that apply

☑ Refined palm oil

(1.22.12) % of procurement spend

Select from:

☑ Less than 1%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ Less than 1%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ No, not disclosing

(1.22.16) Reason for not disclosing

Select all that apply

☑ Small volume

(1.22.18) Explanation for not disclosing

small volume

Soy

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Manufacturing

(1.22.3) Indicate if you have direct soy and/or embedded soy in your value chain

Select from:

☑ We do not know if we source embedded soy

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ No, the total volume is confidential

(1.22.11) Form of commodity

Select all that apply

☑ Soybean oil

(1.22.12) % of procurement spend

Select from:

☑ Less than 1%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ Less than 1%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ No, not disclosing

(1.22.16) Reason for not disclosing

Select all that apply

☑ Small volume

(1.22.18) Explanation for not disclosing

small volume

Rubber

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Manufacturing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ Yes, we are providing the total volume

(1.22.5) Total commodity volume (metric tons)

283580

(1.22.8) Did you convert the total commodity volume from another unit to metric tons?

Select from:

☑ No

(1.22.11) Form of commodity

Select all that apply

☑ Other, please specify

(1.22.12) % of procurement spend

Select from:

☑ 21-30%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ 21-30%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ Yes, disclosing

(1.22.15) Is this commodity considered significant to your business in terms of revenue?

Select from:

☑ Yes

(1.22.19) Please explain

Tire
[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 3 suppliers

(1.24.6) Smallholder inclusion in mapping

Select from:

☑ Smallholders relevant but not included

(1.24.7) Description of mapping process and coverage

Yes, we are mapping our value chain. In the upstream value chain, we primarily include activities related to raw material procurement. These suppliers provide essential materials such as rubber, steel cords, and carbon black, which play a crucial role in our manufacturing process. The downstream value chain involves the distribution process for product sales, with transportation mainly carried out by trains, ships, and large trucks. Currently, our value chain mapping extends to Tier 1 suppliers, and we are gradually expanding the scope as needed.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Value chain stages covered in mapping
	Select from: ☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain	*Select all that apply* ☑ Upstream value chain ☑ Downstream value chain

[Fixed row]

(1.24.2) Which commodities has your organization mapped in your upstream value chain (i.e., supply chain)?

Rubber

(1.24.2.1) Value chain mapped for this sourced commodity

Select from:

☑ Yes

(1.24.2.2) Highest supplier tier mapped for this sourced commodity

Select from:

☑ Tier 1 suppliers

(1.24.2.3) % of tier 1 suppliers mapped

Select from:

☑ 100%

(1.24.2.7) Highest supplier tier known but not mapped for this sourced commodity

Select from:

☑ Tier 4+ suppliers

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

2

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The short-term scope is set with the aim of achieving immediate results and quick responses. For example, key objectives include addressing stakeholder demands, regulatory compliance, and increasing sales. In financial planning, the focus is on operating costs and short-term investments, requiring rapid capital turnover. During this period, strategies demand swift responses to market fluctuations, emphasizing the achievement of immediate outcomes.

Medium-term

(2.1.1) From (years)

3

(2.1.3) To (years)

5

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The medium-term scope focuses on establishing a foundation for organizational growth. For example, this includes entering new markets, developing technologies,

and investing in infrastructure. During this period, financial planning supports long-term strategies through stable growth and risk management.

Long-term

(2.1.1) From (years)

6

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

The long-term scope is established to realize the organization's vision and secure a sustainable competitive advantage. This includes, for example, the introduction of innovative technologies, enhancing long-term brand value, and environmental sustainability. It aims for significant capital investments and long-term financial performance, with financial planning designed to align long-term funding operations with the organization's future-oriented goals.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ National

(2.2.2.12) Tools and methods used

International methodologies and standards

☑ Life Cycle Assessment

Other

☑ Materiality assessment

☑ Partner and stakeholder consultation/analysis

☑ Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Cyclones, hurricanes, typhoons

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Change in land-use

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

☑ Carbon pricing mechanisms

☑ Changes to national legislation

Market

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

☑ Transition to lower emissions technology and products

☑ Transition to water intensive, low carbon energy sources

Liability

☑ Exposure to litigation

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

Typically, environmental material issues are reviewed in the first half of the year. A materiality assessment is conducted using results from stakeholder surveys (customers, employees, etc.), domestic and international media analysis, climate scenario impact analysis, and LCA. The assessment process analyzes the potential impacts (financial and environmental) and the level of environmental dependency associated with the identified top risks and opportunities affecting company operations. The evaluation scope includes the entire organization, and the material issues assessed are reviewed in the agendas of the Board of Directors and the ESG Strategy Committee. The selected material issues are reported to the ESG Strategy Committee, chaired by the CEO, for discussion. Depending on the content, they may be included in the initiatives of the ESG Operations Committee (e.g., Climate Change Committee, Product Environmental Committee, Supplier Committee, SHE Committee) or assigned to relevant departments for execution. Generally, if the issues are deemed short-term tasks, they are assigned to relevant departments or managed through a task force team, while mid- to long-term tasks are operated through the ESG Operations Committee. The ESG Strategy Committee meets

once a year, while the ESG Operations Committee, hosted by C-level executives, convenes three times a year. The management diagnosis department conducts annual surveys to manage the company's overall risks and identifies potential risk types, specific details, timelines, and evaluation methods for each department. The ESG team incorporates climate risks with high financial impacts into the overall management items.

Row 3

(2.2.2.1) Environmental issue

Select all that apply

☑ Biodiversity

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ Encore tool

☑ LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD

☑ WWF Biodiversity Risk Filter

(2.2.2.13) Risk types and criteria considered

Chronic physical

☑ Changing temperature (air, freshwater, marine water)

☑ Declining ecosystem services

☑ Increased levels of environmental pollutants in freshwater bodies

☑ Increased severity of extreme weather events

Policy

☑ Changes to national legislation

Market

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Local communities

☑ Indigenous peoples

☑ NGOs

☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

Looking ahead, we will factor in natural capital-related risks, opportunities, and financial impacts into our strategy and goal setting and engage in regular discussions at the committee level. We will also evaluate our biodiversity dependencies and impacts on upstream and downstream operations as well as our own operational sites to continue our efforts to restore biodiversity.

Row 4

(2.2.2.1) Environmental issue

Select all that apply

☑ Plastics

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ As important matters arise

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

International methodologies and standards

☑ Life Cycle Assessment

Other

☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Chronic physical

☑ Increased levels of macro or microplastic leakage to air, soil, freshwater and/or marine bodies

☑ Leaching of hazardous substances from plastics

☑ Water quality at a basin/catchment level

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

It has been announced that tires and road wear particles(TRWP) contribute to the concentration of ocean microplastics. Tires are unintentional sources of emissions as wear with roads. More impact on emissions based on road and driving habits But TIP(Tire Industry Project) has established TRWP Mitigation strategy and is preparing to implement it in collaboration with many stakeholders. A study is underway to confirm the amount of TRWP generated and the contribution rate of ocean microplastics

Row 5

(2.2.2.1) Environmental issue

Select all that apply

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ WRI Aqueduct

International methodologies and standards

☑ Life Cycle Assessment

Other

☑ Materiality assessment

☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heavy precipitation (rain, hail, snow/ice)

☑ Pollution incident

☑ Toxic spills

Chronic physical

☑ Declining water quality

☑ Groundwater depletion

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ Yes

(2.2.2.16) Further details of process

We manage the risks by establishing indicators such as quantity of water intake or water recycling rate and setting goals for them. Furthermore, we manage the risks of supply chain by conducting ESG assessment for suppliers. To identify and classify potential water pollutants, wastewater is regularly(at least once a half year) referred to external agencies to analyze pollutants and their concentrations. The pollutants regulated by the relevant laws are analysed and compared them with emission limit to ensure that there are no problems. Regarding this, not only our company but also the Ministry of Environment conducts irregular inspections of discharged water, and if there is a problem with the results, we will be notified. There is no significant risk expected right now, but we are keeping in mind the increase in the possibility of damage caused by natural disasters due to climate change. In order to prepare for this, factories are preparing so that business activities are not affected through emergency response training.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

We are assessing the interconnections between environmental dependencies, impacts, risks, and opportunities through various methodologies, such as LCA, scenario analysis, and materiality assessments. For example, climate scenario analysis indicates that there may be raw material supply risks in Southeast Asia, a region with high risks of heavy rainfall and storms, where we source natural rubber. Adverse weather conditions could hinder rubber harvesting or cause quality issues, potentially leading to price increases. Therefore, climate risks and resource dependencies are closely interconnected, which may, in the long term, impact Hankook Tire's profitability. Although these analyses are primarily conducted from a long-term perspective and may not lead to immediate responses in the short term, continuously accumulating relevant data will aid in developing future response strategies. Moreover, simply being aware of potential risks can serve as valuable reference material for future planning.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

☑ Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity

(2.3.4) Description of process to identify priority locations

For biodiversity, we have identified activities with high impact and dependency due to industry characteristics through ENCORE and SBTN, and identified risks in areas adjacent to our business sites using WWF's Biodiversity Risk Filter. For water, we have identified risks in areas adjacent to our business sites using WRI's Aqueduct.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Direct operating costs

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The criteria for classifying risks are determined by likelihood and impact severity, with the risk level assessed using a 5x5 matrix. Generally, risks are classified as significant if both the likelihood and impact severity are above 'moderate.' The threshold for 'moderate' likelihood is defined as either having occurred within the past three years or having a future occurrence probability of more than 25% but less than 60%. The threshold for 'moderate' impact severity is when the financial impact (direct costs) ranges from 3% to 10%, classifying it as a significant impact.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Revenue

(2.4.3) Change to indicator

Select from:

☑ % increase

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Likelihood of effect occurring

(2.4.7) Application of definition

The criteria for classifying opportunities are similar to those for risks. They are determined by feasibility and financial impact, with the opportunity level assessed using a 5x5 matrix. Generally, opportunities are classified as significant if both the feasibility and financial impact are above 'moderate.' The threshold for 'moderate' feasibility is defined as having a future probability of realization between more than 25% and less than 60%. The threshold for 'moderate' financial impact is when the financial effect (revenue or profit) ranges from 5% to 10%, classifying it as a significant impact.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

To identify and classify potential water pollutants, wastewater is regularly(at least once a half year) referred to external agencies to analyze pollutants and their concentrations. The pollutants regulated by the relevant laws are analysed and compared them with emission limit to ensure that there are no problems. Regarding this, not only our company but also the Ministry of Environment conducts irregular inspections of discharged water, and if there is a problem with the results, we will

be notified. In addition, CCTV was installed at the wastewater outlet to check the pollution level of wastewater in real time with the naked eye. The possibility of problems is minimized by reviewing the chemical substances used in the factory in advance.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:
☑ Oil

(2.5.1.2) Description of water pollutant and potential impacts

In the tire manufacturing process, oil is used for the purpose of product raw material, lubricating oil, etc. In the process, wastewater containing oil is generated, and in the case of oil, treatment is difficult due to its lighter characteristics than water.

(2.5.1.3) Value chain stage

Select all that apply
☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply
☑ Beyond compliance with regulatory requirements
☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

Therefore, the treatment method suitable for this is applied and managed during wastewater treatment.

Row 2

(2.5.1.1) Water pollutant category

Select from:

☑ Inorganic pollutants

(2.5.1.2) Description of water pollutant and potential impacts

Inorganic pollutants are mostly heavy metals, and even a small amount has a large impact on environment and human healthHeavy metals are not included as raw materials, but are sometimes detected due to some impurities, pipe contamination, etc.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Beyond compliance with regulatory requirements

☑ Water recycling

☑ Reduction or phase out of hazardous substances

☑ Upgrading of process equipment/methods

(2.5.1.5) Please explain

1. Measure and monitor the pollutant concentration level of wastewater and discharge water regularly, and check whether it is managed under the regulation limit. 2. By increasing the rate of water recycling in the factory, the amount of wastewater discharge can be reduced to reduce pollutant emissions also. 3. Check the raw materials that may contain heavy metals and work with suppliers to minimize the hazardous content or develop alternative materials. 4. As most of plants operate their own wastewater treatment facilities, operations and facility improvements are promoted to increase wastewater treatment efficiency and reduce the pollutant concentration.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Forests

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ No standardized procedure

(3.1.3) Please explain

We plan to identify these risks while preparing for compliance with the upcoming EUDR regulations.

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, only within our direct operations

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

(3.1.3) Please explain

Supply chain evaluations are performed annually, but no risks are found specifically enough to affect our business.

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Hungary

☑ Republic of Korea

(3.1.1.9) Organization-specific description of risk

Hankook Tire's plants in Korea and Hungary are required to participate in the emissions trading system (ETS). Each plant receives an allocation from their respective governments, and if greenhouse gas emissions exceed this allocation, the excess must be purchased from the emissions market or acquired from other obligated entities. The status of compliance with the emissions trading system at the Korean and Hungarian plants is as follows: The Hungarian plant has seen a sharp reduction in free allocations since 2021 and is already purchasing emissions allowances. Since 2022, the allocation has significantly decreased, leading to an average expenditure of approximately 3 to 4 billion KRW on purchasing emissions allowances. Notably, there will be no free allocations in 2030, resulting in increased costs. The Korean plant is expected to face a shortage of allowances starting in 2026, when the fourth compliance period begins. The Korean government is currently undergoing a major regulatory overhaul, and free allocations are expected to be reduced from the current level of 90%. The allocation plan for the fourth compliance period (2026-2030) is set to be announced in 2025, which has garnered significant interest from many Korean companies. Therefore, the emissions trading system is classified as a significant climate risk for Hankook Tire, with clear anticipated financial impacts.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

With the strengthening of the emissions trading system, there is a medium-high likelihood that the Korean plant will face a shortage of carbon allowances starting in 2025, similar to the situation at the Hungarian plant. As a result, it is anticipated that approximately 4 billion KRW in annual costs will be incurred from 2025 onwards. Given that many companies will be in similar circumstances, the anticipated rise in the price of allowances per ton means that by 2030, the cost for purchasing emissions allowances could reach approximately 7 billion KRW annually, leading to an increasing impact on cash flow over time.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.19) Anticipated financial effect figure in the short-term – minimum (currency)

31196793569

(3.1.1.20) Anticipated financial effect figure in the short-term – maximum (currency)

37249819375

(3.1.1.25) Explanation of financial effect figure

The financial impact is estimated based on the projected emissions allowance purchase costs for the Korean and Hungarian plants from 2024 to 2030 (cumulative). The assumptions applied for the cost estimation are as follows: 1. The potential impact figure represents the total expected emissions allowance purchase costs for the period 2024 to 2030. 2. It is assumed that emissions levels from 2023 will be maintained throughout the period. 3. The price per ton of carbon allowance is

*projected to gradually increase from a minimum of 20,000 KRW to 40,000 KRW in Korea, and from 90,000 KRW to 135,000 KRW in Hungary. The calculations are as follows: 1. Korean plant: Purchase volume from 2024-2030 (231,061 tCO2) * purchase price (20,000 40,000 KRW/tCO2) approximately 4.6 6.7 billion KRW. 2. Hungarian plant: Purchase volume from 2024-2030 (268,449 tCO2) * purchase price (90,000 135,000 KRW/tCO2) approximately 26.5 30.5 billion KRW. 3. Total: Approximately 31.1 37.2 billion KRW.*

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Establish site-specific targets

(3.1.1.27) Cost of response to risk

2127373510

(3.1.1.28) Explanation of cost calculation

The risk response costs are the actual amounts invested in energy-saving activities at the Hungarian plant, which has been participating in the emissions trading system since 2023, as well as at the Korean plant. This includes costs for replacing high-efficiency equipment, investing in equipment for air leak management, and expenditures related to energy management systems.

(3.1.1.29) Description of response

The three plants affected by the emissions trading system invested approximately 2.1 billion won in energy-saving activities in 2023. Key initiatives include: 1) Equipment optimization (replacement of outdated equipment and modifications to existing utility systems), 2) Improvement of air/steam leaks (introduction of scanning devices), and 3) Condensate recovery (reuse). The majority of the investment has been directed toward equipment optimization. This primarily involves replacing old pumps and inverters with energy-efficient models (achieving at least a 3-5% improvement) and installing heat recovery devices on existing boilers to reclaim waste heat. Each year, energy-saving targets are established for each plant, and progress is monitored monthly, with regular updates reported to the CEO.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Indonesia

☑ Republic of Korea

☑ United States Minor Outlying Islands

☑ United States of America

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify

(3.1.1.9) Organization-specific description of risk

There is no significant risk expected right now, but we are keeping in mind the increase in the possibility of damage caused by natural disasters due to climate change. In order to prepare for this, factories are preparing so that business activities are not affected through emergency response training.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Daejeon plant in Korea is likely to be flooded in case of flooding due to flooding in Geum River and nearby dams.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

5000000000

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

10000000000

(3.1.1.25) Explanation of financial effect figure

It's hard to predict, but it assumes that half of Daejeon plant is out of service due to flooding.

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with River Basin Organizations

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

In order to response this, investment by individual companies alone is insufficient, so we would like to cooperate with government and stakeholders to come up with countermeasures.

(3.1.1.29) Description of response

River maintenance, installation of flood prevention facilities, hazard warning system, etc. are required

Plastics

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Technology

☑ Transition to increasing renewable content

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Hungary

☑ Indonesia

☑ Republic of Korea

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Recently, we have been asked by our customers to use renewable raw materials and this is considered one of the important requirements. If this is not met, it may be difficult to supply and sell products.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Virtually certain

(3.1.1.14) Magnitude

Select from:

☑ Medium-high

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Estimated KRW 135 billion/year to achieve the target of sustainable raw material use in 2030.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase investment in R&D

(3.1.1.29) Description of response

We have focused on developing tires that deliver exceptional performance while also opting for the use of sustainable raw materials. Our Hungary Plant is a good example of this, which initiated the mass-production of tires comprised of 45% sustainable raw materials. We successfully developed tires that not only maintain top-tier tire performance and durability but also aid in the reduction of CO2 emissions generated from the raw material acquisition phase through the use of sustainable materials. Hankook Tire & Technology collaborates with global raw material companies to help disseminate a circulareconomy business model that turns waste into useful resources. In May 2023, we signed an MOU with Kumho Petrochemical on eco-friendly tire development and business cooperation using Eco-SSBR (Solution Styrene Butadiene Rubber). Under this MOU, we secured Eco-SSBR produced through the application of Kumho Chemical's RSM (Recycled Styrene Monomer) to lay the basis to establish an eco-friendly value chain. In partnership with SK chemicals and Hyosung Advanced Materials, we also developed and commercialized our EV-exclusive tire iON, which is the nation's first to adopt chemically-recycled PET fiber cords. This represents a deeply meaningful sustainability milestone reached among a chemical company supplying raw materials, a material company processing these materials, and a maker producing finished products. We also played a leading role in building a network with Korean companies to build a tire-to-tire resource circularity system, continuously seeking partnerships with raw material companies to establish a circular business model in Korea and ensure the reliable supply of sustainable materials in so doing. Hankook Tire & Technology engages in sustained R&D efforts to progress towards the goal of adopting 100% sustainable materials for all our tires by 2050.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

459866560

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1455436656

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

We considered tire manufacturing facilities as vulnerable to climate change risks and calculated the carrying amount of machinery among tangible assets as the amount of financial indicators that are susceptible to transition risks. Additionally, we evaluated the amount of financial indicators based on the carrying amount of the buildings among tangible assets, viewing factory buildings as assets vulnerable to physical risks. Our focus was on defining the assets of the company that are exposed to climate change risks and analyzing their financial impacts.

Water

(3.1.2.1) Financial metric

Select from:

☑ Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

459866560

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

1455436656

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ Less than 1%

(3.1.2.7) Explanation of financial figures

We considered tire manufacturing facilities as vulnerable facilities by water risk, and calculated the carrying amount of machinery among tangible assets as the amount of financial indicators that are vulnerable to conversion risk. In addition, we evaluated the amount of financial indicators based on the carrying amount of the building among tangible assets, seeing factory buildings as assets vulnerable to physical risk. We focused on defining the assets of a company that are exposed to water risk and analyzing their financial impact.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

China

☑ Huang He (Yellow River)

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 11-20%

(3.2.11) Please explain

As a result of water risk assessment using WRI aqueduct, the overall water risk was high.

Row 2

(3.2.1) Country/Area & River basin

Indonesia

☑ Other, please specify **:**Java-Timor

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ 1-10%

(3.2.11) Please explain

As a result of water risk assessment using WRI aqueduct, the overall water risk was high.

Row 3

(3.2.1) Country/Area & River basin

Republic of Korea

☑ Other, please specify **:**Lake Tail Hu

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization’s total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization’s total global revenue that could be affected

Select from:

☑ 11-20%

(3.2.11) Please explain

As a result of water risk assessment using WRI aqueduct, the overall water risk was high.
[Add row]

(3.3) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
	Select from: ☑ No	*No history*

[Fixed row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☑ EU ETS

☑ Korea ETS

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

EU ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

18

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

12/31/2022

(3.5.2.4) Period end date

12/30/2023

(3.5.2.5) Allowances allocated

9199

(3.5.2.6) Allowances purchased

36678

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

44283

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

The Hungarian factory falls under the European emissions trading system and purchases emission allowances annually. In Europe, the emissions trading system only regulates Scope 1 emissions.

Korea ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

51

(3.5.2.2) % of Scope 2 emissions covered by the ETS

33

(3.5.2.3) Period start date

12/31/2022

(3.5.2.4) Period end date

12/30/2023

(3.5.2.5) Allowances allocated

467218

(3.5.2.6) Allowances purchased

0

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

127268

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

281514

(3.5.2.9) Details of ownership

Select from:

☑ Facilities we own and operate

(3.5.2.10) Comment

The Korean factory, office, and research center fall under the Korean emissions trading system and are responding using the allocated emission allowances. So far, they have not purchased any emissions allowances..
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

We are focused on improving energy efficiency to reduce carbon emissions across all our operations. To achieve this, we have implemented a range of energy-saving initiatives, including optimizing production processes, upgrading equipment to more energy-efficient models, and employing energy management systems that track and reduce energy use in real-time. These efforts are in line with our overarching carbon reduction roadmap, which sets ambitious targets for each of our global factories. However, in the case of our Hungarian factory, it has been particularly challenging to meet emission reduction goals solely through these measures due to the plant's operational scale and regional energy supply constraints. To address this, we have implemented a complementary strategy of carbon allowance purchasing. At the beginning of the year, we established a carbon allowance procurement plan, which includes both initial and incremental purchases, allowing us to actively engage in carbon trading markets. This dual approach helps us manage emissions more flexibly and economically, ensuring compliance with regional carbon regulations. In addition, we conduct regular assessments of our carbon emissions, allowing us to monitor any potential shortfalls in real-time and adjust our strategy as needed. This includes the use of advanced monitoring tools that help track emissions at every stage of the production process. Furthermore, we place great importance on staying ahead of policy and regulatory changes. Our dedicated regulatory compliance team continuously monitors developments in carbon-related legislation to ensure we remain compliant and can take proactive steps to adapt our strategies as needed.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.6.1) Environmental opportunities identified

Select from:

☑ Yes, we have identified opportunities, and some/all are being realized

Forests

(3.6.1) Environmental opportunities identified

Select from:

☑ No

(3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

Select from:

☑ No standardized procedure

(3.6.3) Please explain

We plan to identify these risks while preparing for compliance with the upcoming EUDR regulations.

Water

(3.6.1) Environmental opportunities identified

Select from:

☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.2) Commodity

Select all that apply

☑ Not applicable

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Expansion into new markets

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China

☑ Germany

☑ Republic of Korea

☑ United States of America

(3.6.1.8) Organization specific description

The most significant change in transportation due to government regulations on climate change has been the rapid growth of the electric vehicle (EV) market. The trend of transitioning from internal combustion engine vehicles to electric vehicles is strongly influencing markets worldwide, including the U.S., Europe, Korea, and China, with customer demand for electric vehicles rising sharply. Some countries, such as those in Europe and the U.S., even plan to ban the introduction of internal combustion engine vehicles, prompting automakers to accelerate the electrification of their fleets. Unlike the engines in internal combustion vehicles, electric vehicle motors operate almost silently and rely on electricity, while the added weight of batteries contributes to a heavier vehicle. In response to these characteristics of electric vehicles, Hankook Tire developed the "ION" tire and launched the world's first full lineup of tires dedicated to electric vehicles in 2022. While the EV market has recently experienced a temporary slowdown, we remain optimistic about its long-term prospects. The surge in the electric vehicle market has driven new

consumer needs, serving as a catalyst for introducing innovative products in the tire market.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-high

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The formation of new markets will have a highly positive impact on Hankook Tire's financial condition and performance. The expansion of the electric vehicle market is likely to lead to increased demand for tires specifically designed for electric vehicles, significantly enhancing revenue and operating profit. Hankook Tire aims for electric vehicle tires to account for 70% of its original equipment (OE) sales by 2030. Notably, OE sales currently represent approximately 30% of total revenue, which implies that electric vehicle tires will contribute around 21% of the overall sales. This increase in revenue is contributing to improved operating profit margins and greater financial stability. Additionally, it is facilitating the steady acquisition of resources needed for R&D and the expansion of production facilities through improved cash flow.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

915737340000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

1831474680000

(3.6.1.23) Explanation of financial effect figures

Hankook Tire aims for its electric vehicle tire sales to account for 70% of OE sales by 2030 (with OE sales making up approximately 30% of total sales). As electric vehicles (EVs) emerge as the new trend in the automotive market, the demand for EV tires is increasing, and Hankook Tire's offerings have received positive evaluations, establishing themselves as key products in the EV tire market. The financial impact has been calculated by incorporating the electric vehicle tire sales target into the 2023 tire division revenue.

(3.6.1.24) Cost to realize opportunity

8113699400

(3.6.1.25) Explanation of cost calculation

The R&D investment amount for electric vehicle tires has been calculated by applying the proportion of electric vehicle tire sales to the 2023 research and development expenses. Specifically, the calculation was made by multiplying the 2023 research and development expenses (202,842,485,000 KRW) by the percentage of electric vehicle tire sales within the tire division's revenue in 2023 (4%).

(3.6.1.26) Strategy to realize opportunity

To leverage the growth of the electric vehicle market, we are focusing on the development of tires specifically designed for electric vehicles. Significant research and development investment has been made to reduce noise, enhance handling, and maximize energy efficiency. Electric vehicles rely on battery power for movement, making low rolling resistance tires essential to maintain driving range and minimize energy consumption. The electric vehicle tires utilize EV-specific compounds and curing technologies to reduce rolling resistance. This factor is crucial for tire energy efficiency and is also evaluated under the labeling system. Moreover, due to the weight of the battery, electric vehicles tend to be heavier, and the electric motors generate high torque, requiring superior grip from the tires. To address this, we have developed tread designs that provide excellent braking and traction even on wet surfaces, along with improved tread compounds. Additionally, to minimize uneven wear caused by the heavy weight of electric vehicles, we have applied a stiffness profile optimized for high loads, ensuring uniform tread wear and enhancing tire durability to extend the product's lifespan. Furthermore, in response to the increasing demand for eco-friendly tires, we are commercializing sustainable materials, such as bio-based silica and recycled materials, in our electric vehicle tire offerings and progressively increasing their proportions.

Water

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.2) Commodity

Select all that apply

☑ Not applicable

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

☑ Cost savings

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ China

☑ Hungary

☑ Indonesia

☑ Republic of Korea

☑ United States of America

(3.6.1.6) River basin where the opportunity occurs

Select all that apply

☑ Danube

☑ Mississippi River

☑ Yangtze River (Chang Jiang)

☑ Other, please specify **:**Geum River(Republic of Korea), Java-Timor(Indonesia), Guan He(China), Lake Tail Hu(China)

(3.6.1.8) Organization specific description

To minimize our consumption of water resources, the all plants has applied treated wastewater for cleansing and as cleaning water for wet scrubber only except for Tennessee plant.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced direct costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

To minimize our consumption of water resources, the waste water processed at the wastewater treatment facilities of the plants is used for environmental facilities(wet scrubbers) and cleaning water for ther facilities. 53% of treated wastewater is being used as toilet water and cleansing water for wet scrubber in the plants. So we can save the cost of water resources.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

953301500

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

953301500

(3.6.1.23) Explanation of financial effect figures

To minimize our consumption of water resources, the waste water processed at the wastewater treatment facilities of the plants is used for environmental facilities(wet scrubbers) and cleaning water for ther facilities. 53% of treated wastewater is being used as toilet water and cleansing water for wet scrubber in the plants. So we can save the cost of water resources.

(3.6.1.24) Cost to realize opportunity

953301500

(3.6.1.25) Explanation of cost calculation

Reduction of water use due to the use of recycled water. Potential financial impact: Recycling water x water unit price. (assuming KRW 500/ton)

(3.6.1.26) Strategy to realize opportunity

We strive to improve processes and improve water treatment efficiency to reduce water usage and improve the rate of water recycling.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

355925115905

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 1-10%

(3.6.2.4) Explanation of financial figures

In 2023, sales of tires specifically designed for electric vehicles accounted for approximately 4% of Hankook Tire's tire division revenue. This reflects the significant impact of the growing electric vehicle market on Hankook Tire's financial performance. Notably, the electric vehicle tire market is expected to continue to have high potential for growth in the future, and these opportunities are positively contributing to the company's revenue.

Water

(3.6.2.1) Financial metric

Select from:

☑ OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

2850000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ Less than 1%

(3.6.2.4) Explanation of financial figures

Affecting water bills among operating expenses
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

We have a board diversity and inclusion policy that encompasses the following elements: The board is structured to be of an appropriate size to facilitate effective and smooth discussions and decision-making, with a majority of independent directors to ensure substantial oversight of management. Additionally, the board comprises directors with expertise to contribute to management. The composition of the board considers various knowledge, experience, skills, and gender to meet the standards of diversity. The board is committed to transparent and independent decision-making and may establish committees to enhance its expertise.

(4.1.6) Attach the policy (optional)

4.1 Hankook tire _Corporate Governance Charter.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue	Primary reason for no board-level oversight of this environmental issue	Explain why your organization does not have board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Forests	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ No standardized procedure	*We plan to establish standard procedures for board-level oversight while preparing for compliance with the upcoming EUDR regulations.*
Water	*Select from:* ☑ Yes	*Select from:*	*Rich text input [must be under 2500 characters]*
Biodiversity	*Select from:* ☑ No, but we plan to within the next two years	*Select from:* ☑ No standardized procedure	*We plan to establish biodiversity governance within the next year.*

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Director on board

☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Approving and/or overseeing employee incentives

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

(4.1.2.7) Please explain

Hankook Tire & Technology runs the Sustainability Management Committee within the BOD to reduce the number of BOD meetings convened and associated procedures, and improve the business expertise and efficiency by making rapid decisions. Due to the activities of the Sustainability Management Committee, the periodic board meetings have been specialized as a discussion body for core agendas, and the BOD activities are systematically improved to further reinforce responsible management. Hankook Tire & Technology's Sustainability Management Committee is chaired by the CEO, consisting of inside directors. The term for the Sustainability Management Committee is until the term expiration of the director. As climate change has emerged as a significant agenda item, the committee

regularly reviews the status of climate transition plans and incorporates additional related topics into the BOD's discussions.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Board chair

☑ Director on board

☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Overseeing and guiding scenario analysis

☑ Approving corporate policies and/or commitments

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

(4.1.2.7) Please explain

Hankook Tire & Technology runs the Sustainability Management Committee within the BOD to reduce the number of BOD meetings convened and associated procedures, and improve the business expertise and efficiency by making rapid decisions. Due to the activities of the Sustainability Management Committee, the periodic board meetings have been specialized as a discussion body for core agendas, and the BOD activities are systematically improved to further reinforce responsible management. Hankook Tire & Technology's Sustainability Management Committee is chaired by the CEO, consisting of inside directors. The term for the Sustainability Management Committee is until the term expiration of the director.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:
☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply
☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience
☑ Active member of an environmental committee or organization

Forests

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ No, but we plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

☑ No standardized procedure

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

We plan to establish standard procedures for board-level oversight while preparing for compliance with the upcoming EUDR regulations.

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ No, and we do not plan to within the next two years

(4.2.4) Primary reason for no board-level competency on this environmental issue

Select from:

☑ Not an immediate strategic priority

(4.2.5) Explain why your organization does not have a board with competence on this environmental issue

Water-related issues have not yet come as a major risk to our company. However, we will continue to monitor and prepare for issues.
[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ Yes

Forests

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☑ No standardized procedure

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

We are developing key initiatives and policies to address environmental issues and plan to establish a process to integrate them into the management's responsibility in the future.

Water

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☑ No standardized procedure

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

We are developing key initiatives and policies to address environmental issues and plan to establish a process to integrate them into the management's responsibility in the future.
[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

To ensure that our ESG initiatives are undertaken in an integrated manner across the board, Hankook Tire & Technology operates the ESG Strategy Committee, chaired by the CEO, along with eight ESG Steering Committees. Through regular reporting and review, we strive to make achievements in accordance with the established plan. The ESG Strategy Committee meeting, attended by the CEO, heads of each regional headquarters, and executives, is held every February or March to review critical issues discussed by ESG Steering Committees in the previous year, share changing ESG trends at home and abroad, and make decisions on future directions. The decisions are then communicated to the supervising team of each ESG Steering Committee for their active operation. Among the ESG Steering Committees, three are involved in addressing climate change issues. The Climate Change Committee oversees matters related to Scope 1 and 2 emissions during the manufacturing stage, the Supplier Committee implements carbon neutrality activities among our partners, and the Product Environment Committee focuses on the development of eco-friendly products and raw materials.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing public policy engagement related to environmental issues

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Setting corporate environmental policies and/or commitments

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Annually

(4.3.1.6) Please explain

To ensure that our ESG initiatives are undertaken in an integrated manner across the board, Hankook Tire & Technology operate the ESG Strategy Committee which is chaired by CEO and eight ESG Steering Committees under the ESG Strategy Committee. Through regular reporting and review, we strive to make achievements in accordance with the established plan. The ESG Strategy Committee meeting attended by the CEO, heads of each regional headquarters, and executives is held every February or March to review critical issues discussed by ESG Steering Committees in the previous year, share changing ESG trends at home and abroad, and make decisions on future directions. The decisions are delivered to supervising team of each ESG Steering Committee for their active operation.

Water

(4.3.1.1) Position of individual or committee with responsibility

Other

☑ Other, please specify **:**SHE Evolution Committee

(4.3.1.2) Environmental responsibilities of this position

Engagement

☑ Managing public policy engagement related to environmental issues

Policies, commitments, and targets

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental targets

(4.3.1.4) Reporting line

Select from:

☑ Reports to the Chief Executive Officer (CEO)

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Quarterly

(4.3.1.6) Please explain

The SHE Evolution Committees, the key elements of Hankook Tire's ESG initiatives, play a role in connecting our ESG initiatives with daily operation of employees in core managerial areas upon the responsibility of seven directors of each division/departement. SHE(Safety, Health and Environment) Committee, which is one of ESG steering committees, chaired by SHE department director monitors water-related risks and opportunities in a quarterly(3 time in year) basis and the chairperson makes decisions on related issues
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

5

(4.5.3) Please explain

Executives related to greenhouse gas reduction and energy usage have relevant evaluation criteria included in their KPIs, which impact the incentive outcomes.

Forests

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ No, and we do not plan to introduce them in the next two years

(4.5.3) Please explain

There are no concrete plans yet.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

5

(4.5.3) Please explain

The reduction in operating costs due to the reduction in water usage also affects the product manufacturing cost, acting as one of the incentive factors.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

Strategy and financial planning

☑ Board approval of climate transition plan

☑ Achievement of climate transition plan

Emission reduction

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

(4.5.1.5) Further details of incentives

The CEO's incentives are divided into short-term and long-term performance categories. Since assessing ESG (Environmental, Social, and Governance) performance in the short term is challenging, it is reflected in the long-term incentives. Long-term incentives are granted based on a comprehensive evaluation of the global performance over the past five years. The evaluation criteria include financial perspectives (key managerial indicators, revenue growth, etc.), strategic/innovative perspectives (organizational innovation activities, identification of new growth drivers, etc.), and ESG perspectives (GHG emissions reduction, external ESG ratings, etc.).

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Since Hankook Tire's CEO long-term incentives already include climate change response KPIs, this plays a crucial role in achieving the climate transition plan. ESG performance, particularly the reduction of GHG emissions and external ESG ratings, is reflected in the evaluation criteria, allowing the CEO to focus on meeting climate-related goals. The investment in energy-saving initiatives has been increasing annually, and the GHG emission trends over the past five years show a consistent decline.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

☑ Salary increase

(4.5.1.3) Performance metrics

Targets

☑ Achievement of environmental targets

Resource use and efficiency

☑ Reduction of water withdrawals – direct operations

☑ Improvements in water efficiency – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

1. Water usage is also related to manufacturing cost. The indicators are linked to product costs and are linked to c-suite incentives. 2. Water intake KPI is managed as a global sustainability target, which is linked to c-suite's performance and incentives are paid differently depending on whether it is achieved or not. 3. Our company manages sustainability index (e.g. CDP/DJSI), including water-related issues. This is a key component of ESG's executive evaluation. 4. The c-suite incentive contribution of the issue is expected to increase due to higher water prices and stricter regulations.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Water-related performance affects both short-term and long-term incentives The factory manager and the representative officers of the headquarters in each region are responsible.
[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

Our environmental policy scope includes the following: The company establishes various environmental goals at an organizational level to implement environmental management and continuously strives to achieve them. We aim to assess and improve the potential environmental impacts throughout the entire process, from the development stages of products and services, focusing on the use of sustainable raw materials, enhancing fuel efficiency, reducing noise, and improving durability in our products. Additionally, we thoroughly review the environmental and health impacts when using chemicals, ensuring their safe use and legal disposal. In our contracts with suppliers, we incorporate environmental and sustainability assessments into purchasing decisions and make efforts to minimize environmental impacts by reducing the use of resources such as raw materials and water. We are particularly committed to reducing greenhouse gas emissions through improved energy efficiency and the use of renewable energy. To minimize environmental impacts during transportation, we identify optimal transport distances and select appropriate transportation methods, striving for net-zero emissions across Scope 1, 2, and 3. Furthermore, we maintain continuous communication with internal and external stakeholders, including the government, employees, and partners, to assess and reduce the environmental impacts of our corporate activities. Through these policies, we fulfill our environmental responsibilities

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to respect legally designated protected areas

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to avoidance of negative impacts on threatened and protected species

☑ Commitment to stakeholder engagement and capacity building on environmental issues

☑ Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Commitment to not funding climate-denial or lobbying against climate regulations

Water-specific commitments

☑ Commitment to reduce or phase out hazardous substances

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to reduce water consumption volumes

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

☑ Yes, in line with another global environmental treaty or policy goal, please specify **:**ISO 14001, SDGs

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

Safety, health and environment policy.docx
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ International Sustainability & Carbon Certification (ISCC)

☑ Science-Based Targets Initiative (SBTi)

☑ UN Global Compact

☑ World Business Council for Sustainable Development (WBCSD)

☑ Other, please specify **:**GPSNR(Global Platform of Sustainable Natural Rubber), TIP (Tire Industry Project)

(4.10.3) Describe your organization’s role within each framework or initiative

Hankook Tire actively participates in ISCC, SBTi, UN Global Compact, WBCSD, GPSNR, and TIP, committing to sustainable practices and responsible sourcing. We set science-based targets for greenhouse gas reductions, promote sustainability in the natural rubber supply chain, and collaborate with industry leaders to enhance environmental stewardship and corporate social responsibility.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

Commitment letter.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

When communication with external associations regarding global environmental treaties and policies or the release of an official statement is required, it undergoes

an initial review by the ESG team and the Communications team, and is finalized after the Chief Administrative Officer (CAO)'s approval. During the review process, it is ensured that the official position and activities align with the company's climate change response strategy. Details of lobbying activities are disclosed through ESG reporting materials, such as the annual report.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

In 2023, we participated in the revision of the Carbon Footprint Labeling and Low Carbon Certification System operated by the Korea Environmental Industry & Technology Institute. The Carbon Footprint Labeling system quantifies and discloses the greenhouse gas emissions generated throughout a product's lifecycle, including production, distribution, use, and disposal. The Low Carbon Product Certification is awarded to products that have obtained the Carbon Footprint Label and further reduced their

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Environmental impacts and pressures

☑ Emissions – CO2

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

☑ Republic of Korea

(4.11.1.6) Your organization’s position on the policy, law, or regulation

Select from:

☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

☑ Ad-hoc meetings

☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Hankook Tire's participation in developing the tire Life Cycle Assessment (LCA) guidelines under the Carbon Footprint Labeling Program, operated by the Korea Environmental Industry & Technology Institute, contributes to the company’s climate transition goals. Tire-related carbon emissions are closely linked to Scope 3, and Hankook Tire has established Scope 3 reduction targets through the SBTi. Through the Product Environment Committee, the company carries out Scope 3-related activities such as conducting LCAs, developing sustainable materials, and reducing tire weight. By participating in guideline development, Hankook Tire not only contributes to the standardization of tire LCA but also strengthens its competitiveness by establishing fair evaluation criteria across the industry. Additionally, the publication of the tire LCA guidelines on the official website will be recognized as a successful outcome of this engagement.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:

☑ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

☑ GRI

☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

☑ Biodiversity

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Governance

☑ Emission targets

☑ Emissions figures

☑ Risks & Opportunities

☑ Value chain engagement

(4.12.1.6) Page/section reference

ESG Management (22-28pg), Eco value chain (41-46pg), Sustainable product (47-51pg), Performance Summary (74-76pg), TCFD (86-88pg), Verification (90-92pg)

(4.12.1.7) Attach the relevant publication

Hankook_Tire_Technology_ESG_Report_2023-24_Eng_F.pdf

(4.12.1.8) Comment

Hankook Tire publishes an annual ESG report in accordance with the GRI Standards and TCFD. This report includes objectives, performance, key activities, risk assessments, and data on various topics ranging from governance to environmental issues such as climate, water, waste, and biodiversity. Additionally, the ESG report addresses a wide range of sustainability issues, providing a comprehensive overview of Hankook Tire's ESG efforts.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

Forests

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ No standardized procedure

(5.1.4) Explain why your organization has not used scenario analysis

Scenario analysis requires a clear process and standards to produce reliable and consistent outcomes, but we have not yet established such standardized procedures.

Water

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Not an immediate strategic priority

(5.1.4) Explain why your organization has not used scenario analysis

Water purchase costs are very low compared to other utilities such as electricity and steam. Therefore, since it is not yet a high priority in business strategy, we couldn't use an internal price on water.
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Reputation

☑ Technology

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

2019

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

☑ Sensitivity of capital (to nature impacts and dependencies)

Stakeholder and customer demands

☑ Consumer attention to impact

Regulators, legal and policy regimes

☑ Global regulation

☑ Global targets

Direct interaction with climate

☑ Perception of efficacy of climate regime

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The IEA NZE 2050 scenario is an ambitious climate scenario aimed at limiting the global temperature rise to below 1.5C by 2050. This scenario is based on the following key assumptions. First, it assumes the rapid expansion of renewable energy, particularly solar and wind power, which are expected to become the dominant sources of global electricity production. By 2030, it is forecasted that the share of renewable energy will exceed 60%. Second, the scenario includes the assumption of steadily rising carbon prices. By 2030, the price is expected to reach approximately 140 per ton, and by 2050, it is forecasted to rise to 250 per ton, serving as a significant economic incentive to curb greenhouse gas emissions. Third, a significant improvement in energy efficiency is also essential. This includes drastically reducing energy consumption in the building, industrial, and transportation sectors, with energy efficiency projected to improve by more than 30% by 2030. Fourth, the rapid development and commercialization of low-carbon technologies, such as renewable energy technologies, carbon capture and storage (CCS), electric vehicles, and hydrogen-powered vehicles, are also key assumptions. However, there are several uncertainties associated with these assumptions. National climate policies and greenhouse gas reduction targets may change, which could influence the overall trajectory of the scenario. Additionally, the pace of technological advancement and the timeline for commercialization of low-carbon technologies are difficult to predict. Delays or accelerated innovation could affect the scenario's validity. Global economic growth rates and changes in energy demand could also impact the speed of the energy transition. Particularly, high capital costs and lack of infrastructure pose significant constraints. The initial investment required for renewable energy and low-carbon technologies is relatively high, and fluctuations in capital costs or challenges in securing funding could hinder the commercialization of these technologies. Furthermore, if the necessary infrastructure to support renewable energy and carbon capture technologies is insufficient, it could limit the successful implementation of the scenario.

(5.1.1.11) Rationale for choice of scenario

The IEA NZE 2050 scenario was selected as it aligns with the goals of the Paris Agreement and provides the most comprehensive analysis of long-term changes in global energy and carbon emissions. It is particularly useful as it includes factors related to Hankook Tire's business, such as the energy mix, carbon pricing, and the transportation sector, making it highly applicable to our analyses. Through scenario analysis, we can assess the potential climate change risks that may impact the company and use these insights to establish effective mitigation strategies.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0ºC and above

(5.1.1.7) Reference year

2005

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2030

☑ 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

☑ Changes to the state of nature

☑ Climate change (one of five drivers of nature change)

Finance and insurance

☑ Cost of capital

☑ Sensitivity of capital (to nature impacts and dependencies)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The RCP 8.5 scenario assumes that atmospheric CO2 concentrations will reach 940 ppm by the end of the 21st century, leading to an increase in global average temperatures by 4.3C to 4.8C. This scenario takes into account that temperature rise may be higher in certain regions compared to the global average, with areas like the polar regions expected to experience more severe warming. Changes in precipitation patterns are also a key assumption in this scenario, predicting significant increases or decreases in rainfall in specific areas. In particular, Asia is projected to face heightened risks of extreme weather events such as flooding and sea level rise due to increased rainfall caused by severe climate change. The uncertainties in this scenario stem from several factors. The inherent complexity of climate models makes it difficult to fully predict future climate variability. Additionally, the outcomes of this scenario can change depending on the success of international efforts to reduce greenhouse gas emissions and technological innovations. One limitation of this scenario is that it may not adequately account for humanity's economic and social capacity to adapt. For instance, it is challenging to accurately predict the extent of economic losses due to climate change and how societies will absorb and respond to these losses. Moreover, if strong international climate policies are implemented, the validity of this scenario could diminish.

(5.1.1.11) Rationale for choice of scenario

The RCP 8.5 scenario was chosen because it is particularly suited for assessing the worst-case climate change impacts that may occur if greenhouse gas emissions continue at current levels. This scenario is especially relevant given that many of Hankook Tire's production facilities are located in Asia, a region highly vulnerable to climate change. The RCP 8.5 scenario enables us to better understand the potential risks associated with temperature increases, changes in precipitation patterns,

and the heightened likelihood of natural disasters if emissions remain unchecked.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

☑ Risk and opportunities identification, assessment and management

☑ Strategy and financial planning

☑ Resilience of business model and strategy

☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

The results of our scenario analysis have had a significant impact on our financial planning, target setting, and transition planning. We have increased our capital expenditure (CAPEX) to reduce carbon emissions in preparation for rising carbon prices. All of our global plants are investing in energy efficiency and reduction activities, and our Hungarian plants, which are particularly exposed to carbon regulations, are budgeting for the purchase of carbon credits. Our investment in energy reduction is increasing every year, and in 2023, we invested approximately KRW 5.2 billion. We are also strengthening our R&D investments to develop tires for electric vehicles and low-carbon tires to respond to the growing electric vehicle market and the increasing demand for low-carbon tires, and to drive long-term sales growth. Regarding physical risks, we are strengthening facility management and employee safety through regular leak repairs at production facilities and disaster evacuation drills.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

☑ No, but we plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

The tire manufacturing industry still relies heavily on petroleum-based raw materials. One of the key components of tires, synthetic rubber, is derived from petrochemical products. Currently, it is challenging to completely transition to alternative sustainable materials. Therefore, an immediate cessation of expenditures related to fossil fuels could directly impact current product production and quality maintenance. Additionally, the business relationships with directly associated customers must be considered. Many automobile manufacturers continue to produce internal combustion engine vehicles, and the tire industry generates revenue through collaboration with them. Although the electric vehicle market is rapidly growing, halting all revenue generation at this point—when the internal combustion engine vehicle market has not completely disappeared—could negatively affect the company's financial stability and competitiveness.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We do not have a feedback mechanism in place, but we plan to introduce one within the next two years

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

The key assumptions used have been established in line with the changes in the automotive and tire industries. The continuous growth of the electric vehicle (EV)

market is expected to significantly influence the demand and performance requirements for tires designed for EVs. Furthermore, with the strengthening of green policies in major exporting countries like Europe and the United States, it is anticipated that carbon footprint will become a standard product specification. Consequently, the transition plan is based on several important dependencies. First, the transition of the automotive market to electric vehicles is crucial. The recent slowdown in the EV market can be attributed to a variety of complex factors, including supply chain issues, rising raw material costs, changes in consumer demand, and battery safety concerns. Therefore, achieving a stable transition across the automotive industry requires not only technological improvements within the sector but also crucial governmental policy support and infrastructure development. Second, establishing infrastructure for renewable energy is essential. Utilizing renewable energy is vital for achieving carbon neutrality; however, if the necessary infrastructure is not adequately developed, significant challenges may arise in execution. Lastly, to reduce carbon footprints, it is essential to develop and commercialize raw materials with low carbon emissions, such as recycled materials or bio-based materials. If these materials are not sufficiently developed and commercialized, activities aimed at reducing carbon footprints may be limited.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Hankook Tire has implemented several measures to reduce carbon emissions. In 2023, we invested 5.2 billion KRW in energy-saving projects aimed at improving energy efficiency in our manufacturing processes, resulting in a 4.45% reduction in greenhouse gas emissions compared to the previous year. Additionally, we have focused on developing sustainable raw materials and identifying potential partners, achieving approximately 25% utilization of sustainable materials in 2023. These materials have been successfully integrated into tires for electric vehicles, and we are gradually increasing their usage, thereby contributing to the reduction of the product's carbon footprint.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

Sustainable Strategy _Hankook Tire.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The growth of the electric vehicle market presents a significant opportunity for climate change mitigation, positively influencing our company's strategy. As the electric vehicle tire market is expected to expand further, we are adjusting our sales targets upwards. Currently, tires for electric vehicles account for approximately 4% of our total sales, but we aim to increase this figure to 21% by 2030. Moreover, with the rising demand for low-carbon products in the automotive industry, we are gradually increasing the proportion of sustainable raw materials in our products. To support this, we are continuously strengthening our research and development (R&D) investments, making sustainable materials a key focus of our R&D activities. This strategic response contributes to our company's ability to leverage opportunities presented by climate change, enhancing our competitiveness.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

The tightening of carbon regulations and the growing interest of stakeholders in climate change significantly impact our company's strategy. In response, we have established a roadmap and specific reduction pathways for carbon emissions. To achieve these goals, we are increasing our related capital expenditures. The first strategy focuses on energy efficiency and reduction activities, with expanded investments in energy savings across all our global factories. We have also formed a dedicated energy management team and are developing and systematizing internal energy management processes to ensure systematic oversight. The second strategy involves investing in renewable energy. We are currently exploring the feasibility of installing solar panels at each factory and have established a plan to gradually introduce them starting in 2025. These initiatives are not only essential efforts to comply with heightened regulations due to climate change but also crucial for addressing stakeholder concerns and achieving the goals we have set. In addition to our carbon reduction strategies, we have set key performance indicators and global targets for water withdrawal and recycling rates. We are implementing initiatives to achieve these indicators and review our actual performance against our plans every year. This holistic approach ensures that we effectively manage environmental risks while advancing our sustainability objectives.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Revenues

☑ Direct costs

☑ Capital expenditures

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

The growth of the electric vehicle market presents an important opportunity for the company, serving as a significant factor in our financial planning process. Investments aimed at expanding our development and production capacity for electric vehicle tires are essential components of this strategy, allowing us to align our overall sales targets with future market potential. However, the tightening of carbon regulations introduces risks associated with increased costs. These rising operational expenses must be factored into our financial plans, reflecting the necessity of purchasing carbon credits for compliance and the costs associated with adopting low-carbon technologies. Additionally, the impact of environmental risks extends to our water management. Increased water bills, driven by heightened operational demands and regulatory requirements, contribute to the overall rise in plant operating costs.
[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: ☑ Yes	*Select all that apply* ☑ A sustainable finance taxonomy	*Select from:* ☑ At the organization level only

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

☑ EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

☑ Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

☑ No

(5.4.1.5) Financial metric

Select from:

☑ Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

1282443442763

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

15

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

18

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

21

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization’s climate transition

We define the EU Taxonomy activity 3.6, 'Manufacture of other low-carbon technologies,' as a relevant activity for our tire company and have evaluated our environmentally sustainable economic activities based on this criterion. Activity 3.6 refers to manufacturing activities that contribute to climate change mitigation through low-carbon technologies, specifically aiming to produce technologies and products that enhance energy efficiency or reduce carbon emissions. Accordingly, we define tire products with labeling grades A or B as our environmentally sustainable economic activities. The tire labeling grade indicates the energy efficiency of the tires, with higher grades reflecting lower rolling resistance, which contributes to improved vehicle fuel economy and reduced fuel consumption. Therefore, tires with A and B grades play a crucial role in enhancing vehicle fuel efficiency and reducing carbon dioxide emissions, and we consider them as part of our low-carbon technologies for evaluation.
[Add row]

(5.4.3) Provide any additional contextual and/or verification/assurance information relevant to your organization’s taxonomy alignment.

(5.4.3.2) Additional contextual information relevant to your taxonomy accounting

We assess the revenue generated from the sales of A and B graded European tire labeling products to calculate their share of total sales. The denominator is the sales revenue of Hankook Tire's tire division, while the numerator is the revenue from A and B graded tires among European products. We manage information regarding tire specifications, patterns, and rolling resistance grades by brand within our internal systems, and we can retrieve and analyze sales revenue information based on the product codes of those that have received A and B grades.

(5.4.3.3) Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Select from:

☑ No

(5.4.3.4) Please explain why you will not be providing verification/assurance information relevant to your taxonomy alignment in question 13.1

Currently, the regulatory environment related to the EU Taxonomy is in its early stages, and the definition of environmentally sustainable economic activities for the tire sector is not yet clear. As a result, we are in the process of internally defining the interpretation and application of the EU Taxonomy guidelines, and we have not pursued external verification. However, starting in 2026, it is expected that the CSRD (Corporate Sustainability Reporting Directive) will apply to Hankook Tire's European operations, and we plan to implement verification procedures in relation to this.
[Fixed row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

(5.5.1) Investment in low-carbon R&D

Select from:
☑ Yes

(5.5.2) Comment

R&D investments related to low-carbon products focus on the development of tires that utilize sustainable raw materials and improve energy efficiency. By developing tires using sustainable materials, we aim to reduce carbon emissions in the raw material acquisition process while simultaneously enhancing energy efficiency, contributing to improved fuel economy in vehicles.
[Fixed row]

(5.5.8) Provide details of your organization’s investments in low-carbon R&D for transport-related activities over the last three years.

Row 1

(5.5.8.1) Activity

Select all that apply

☑ Light Duty Vehicles (LDV)

(5.5.8.2) Technology area

Select from:

☑ Materials

(5.5.8.3) Stage of development in the reporting year

Select from:

☑ Small scale commercial deployment

(5.5.8.4) Average % of total R&D investment over the last 3 years

0.23

(5.5.8.5) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

0.32

(5.5.8.6) Average % of total R&D investment planned over the next 5 years

5

(5.5.8.7) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

We are continuously investing in the development of tires that not only apply sustainable materials but also achieve excellent energy efficiency ratings and performance safety. We are actively engaged in the exploration and development of bio-based, recycled, and reusable materials, and we are focusing on research related to rolling resistance reduction (LRR), beta testing, and commercialization reviews. These R&D efforts support our climate transition plans by facilitating the transition of materials and the development of sustainable products in terms of Scope 3 emissions reduction. Therefore, our R&D investment is a key element in achieving our climate goals.
[Add row]

(5.9) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

(5.9.1) Water-related CAPEX (+/- % change)

38

(5.9.2) Anticipated forward trend for CAPEX (+/- % change)

5

(5.9.3) Water-related OPEX (+/- % change)

2

(5.9.4) Anticipated forward trend for OPEX (+/- % change)

5

(5.9.5) Please explain

CAPEX and OPEX related to environmental, safety and health have been counted since 2021. Increased facility investment and maintenance costs due to aging of facilities, and additional investment to cope with stricter environmental regulations
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Navigate regulations

☑ Drive energy efficiency

☑ Drive low-carbon investment

☑ Conduct cost-benefit analysis

☑ Identify and seize low-carbon opportunities

☑ Incentivize consideration of climate-related issues in decision making

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Alignment with the price of a carbon tax

☑ Scenario analysis

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The internal carbon price is established by considering the specific circumstances of each country and reflects the anticipated future prices of carbon credits. It incorporates the long-term upward trend in carbon credit prices based on the IEA's NZE 2050 scenario, taking into account the characteristics of carbon credit prices and policy objectives in each region. The price is set higher than the current level to strengthen long-term incentives for emission reductions.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Differentiated

(5.10.1.7) Indicate how and why the price is differentiated

The difference in carbon prices between South Korea and Europe is attributed to the characteristics of each region's carbon credit market and policies. Currently, Europe has a more mature carbon market and stronger carbon reduction policies compared to South Korea. The impact of the EU Green Deal has led to the establishment of higher reduction targets, accelerating the timeline for the transition to 100% auctioned allowances in the emissions trading system. As a result, the demand for carbon credits is relatively high, maintaining a price level that is higher than that of South Korea.

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

The internal carbon price is expected to rise in the future. Carbon reduction policies in South Korea and Europe are being strengthened, and an increase in the auctioned allowance ratio is anticipated to lead to a rise in the demand for carbon credits. According to the climate transition scenarios we reference, the carbon price is projected to reach 140 per ton by 2030 and 250 per ton by 2050 in developed countries.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

50000

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

148000

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Capital expenditure

☑ Operations

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for some decision-making processes, please specify **:**Amounts related to energy facility investment and plant operations

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

44

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

The internal carbon price is included in the profitability analysis tools of the investment review documentation, reflecting the impact of carbon prices on investment effectiveness. The internal carbon price is typically updated annually through consultations involving the energy department, the ESG team, and the management control team.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

Smallholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ No standardized procedure

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

There are currently no direct communication channels with investors and shareholders regarding climate change issues. We respond to surveys from investors about Hankook Tire's climate change response status as they arise, and we plan to explore ways to expand communication in the future to better align with stakeholder demands.

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Water

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Contribution to supplier-related Scope 3 emissions

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

The main evaluation criteria include the impact of suppliers' Scope 3 emissions, specific raw materials requested by customers for carbon reduction, and the quantity of those materials purchased. We create a list of suppliers with significant impact based on a scoring system ranging from 0 to 10 points for these criteria. For example, emission scores represent the percentage of Scope 3 emissions in Category 1. We classify suppliers as having a significant impact if their overall score, converted

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 1-25%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

53

Water

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on water

☑ Impact on pollution levels

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

We have stipulated that ESG assessments be made in signing purchase contracts to identify suppliers' ESG management status and assess risks associated with supply chain management. We manage critical suppliers separately according to the set criteria to maintain our production continuity and manage risks. So far, no company has been a problem or will have a problem in terms of water security.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

☑ 76-99%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

230
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

We have stipulated that ESG assessments be made in signing purchase contracts to identify suppliers' ESG management status and assess risks associated with supply chain management. To ensure production continuity and effectively manage risks, we manage critical suppliers separately according to established criteria. In line with this, we prioritize engagement activities with suppliers that have a significant impact based on our evaluation criteria. These engagement activities include, for example, supplier exchange meetings, enhanced carbon survey assessments, requirements for renewable energy usage, and collaborative projects.

Water

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water

☑ Business risk mitigation

☑ Regulatory compliance

☑ Vulnerability of suppliers

(5.11.2.4) Please explain

We have stipulated that ESG assessments be made in signing purchase contracts to identify suppliers' ESG management status and assess risks associated with supply chain management. We manage critical suppliers separately according to the set criteria to maintain our production continuity and manage risks.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization’s purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

Hankook Tire monitors the status of its suppliers through ESG assessments and carbon surveys. According to regulations, if a supplier scores below a certain threshold, we provide recommendations for improvement or feedback; however, these measures are not included in the purchase contracts.

Water

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

We request our global suppliers to perform ESG Survey to continuously evaluate their ESG capabilities and enhance their own ESG management environment. We have stipulated ESG pre-screening in signing purchase contracts and institutionalized the mandatory submission of pre-screening results through our system when creating new supplier registrations. In our preliminary supplier screening, we prioritize environmental sustainability by verifying the acquisition of environmental certifications such as ISO 14001 and ISCC PLUS as well as carbon emissions and energy consumption.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Disclosure of GHG emissions to your organization (Scope 1 and 2)

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 1-25%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

We conduct annual carbon surveys for 100% of our raw material suppliers, evaluating items such as greenhouse gas reduction targets, disclosure of Scope 1 and 2 emissions, and the usage of renewable energy. If the survey results are unsatisfactory or the responses are inadequate, we implement improvement measures through meetings to assess the situation, provide information related to greenhouse gas calculations, and offer training.

Water

(5.11.6.1) Environmental requirement

Select from:

☑ Compliance with an environmental certification, please specify **:**ISO14001

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Supplier scorecard or rating

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 100%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:

☑ Less than 1%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ Less than 1%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

(5.11.6.12) Comment

We request our global suppliers to perform ESG survey to continuously evaluate their ESG capabilities and enhance their own ESG management environment. We have stipulated ESG pre-screening in signing purchase contracts and institutionalized the mandatory submission of pre-screening results through our system when creating new supplier registrations. In our preliminary supplier screening, we prioritize environmental sustainability by verifying the acquisition of ISO 14001 certification.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Provide training, support and best practices on how to measure GHG emissions

☑ Support suppliers to set their own environmental commitments across their operations

Information collection

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ 51-75%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Suppliers can measure and improve their environmental performance by participating in surveys, engaging in greenhouse gas calculations, and attending ESG-related training and meetings. By strengthening monitoring capabilities, they can identify opportunities for reduction activities through data accumulation while fulfilling their environmental responsibilities and enhancing carbon competitiveness. As suppliers improve their environmental performance, it positively impacts the overall carbon footprint of the supply chain, contributing to the achievement of Scope 3 emissions reduction targets. Additionally, acquiring more systematic information allows us to build a more reliable inventory.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**온실가스 배출량 저감, 재생에너지 사용

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

Water

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Capacity building

☑ Support suppliers to set their own environmental commitments across their operations

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement

Select from:

☑ Less than 1%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We request our global suppliers to perform ESG self-assessments to continuously evaluate their ESG capabilities and enhance their own ESG management

environment. We have stipulated ESG pre-screening in signing purchase contracts and institutionalized the mandatory submission of pre-screening results through our system when creating new supplier registrations. In our preliminary supplier screening, we prioritize environmental sustainability by verifying the acquisition of ISO 14001 certification.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Reduce water related issues in supply chain.

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.8) Provide details of any environmental smallholder engagement activity

Row 1

(5.11.8.1) Commodity

Select from:

☑ Rubber

(5.11.8.2) Type and details of smallholder engagement approach

Capacity building

☑ Offer on-site technical assistance and extension services

☑ Provide training, support and best practices on sustainable agriculture practices and nutrient management

(5.11.8.3) Number of smallholders engaged

337

(5.11.8.4) Effect of engagement and measures of success

We are a member of the Project TREE, a blockchain-based natural rubber traceability and sustainability project, led by the international trader ITOCHU. The aim of this project is to enable traceability along the natural rubber supply chain, from supply to manufacturing and sales. As a participating member of this initiative, we partnered with ETEL, the largest UK-based tire distributor, to sell and produce tires made solely from natural rubber harvested within unprotected areas. The proceeds go to support sustainability for smallholders, collectors, and local dealers who cooperate in ensuring the traceability of natural rubber. In 2023, we joined Project TREE's JPA (Joint Pool Account) activity to provide 337 natural rubber smallholders with Android smartphones, and supported them with 109 boxes of formic acid and 82 sets of tapping knives by way of 11 collectors. This is projected to enable traceability for up to 146 hectares of new cultivation areas and to improve the productivity and quality of natural rubber along with enhanced capabilities of smallholders.
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We provide online purchasing guidelines to allow customers to evaluate energy consumption efficiency of Hankook Tire & Technology products before purchasing. Through its tire energy consumption grading system, customers can understand fuel saving and GHG emissions reduction effects by comparing tire labels. (https://www.hankooktire.com/kr/ko/help-support/warranty/labeling.html). The energy consumption based on the tire's efficiency rating is associated with the use stage. Since customer-related categories are only relevant to the use stage, Scope 3 emissions account for 100% of the overall emissions in this context.

(5.11.9.6) Effect of engagement and measures of success

By disclosing and enabling comparability of tire-specific efficiency ratings to consumers, it influences the selection of products with higher labeling grades. Therefore, the engagement performance is measured by the revenue generated from products with excellent efficiency ratings (B grade or higher). In 2023, the revenue from products satisfying the excellent ratings (A to B grades) accounted for approximately 14.6% of the total revenue.

Water

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**Employee

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

Innovation and collaboration

☑ Run a campaign to encourage innovation to reduce environmental impacts

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Changing employees' perceptions to reduce water usage in the factory.

(5.11.9.6) Effect of engagement and measures of success

Water withdrawal, water consumption, etc.
[Add row]

(5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

	Requesting member
Row 1	*Select from:*

[Add row]

(5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

(5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

Select from:

☑ No, but we plan to within the next two years

(5.13.2) Primary reason for not implementing environmental initiatives

Select from:

☑ Not an immediate strategic priority

(5.13.3) Explain why your organization has not implemented any environmental initiatives

We are continuously collaborating with various stakeholders to improve environmental performance within our supply chain. We are also reviewing potential environmental engagements with some CDP Supply Chain members.
[Fixed row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Hankook Tire has chosen the operational approach to set boundaries considering efficiency of management and exercise of practical influence. Since the Net-zero Target is a long-term project, there is a need to invest in energy savings and set organizational boundaries within the reducible demand scope. Additionally, management is required such as checking the achievement of the goal and preparing countermeasures when monitoring future greenhouse gas emissions. Therefore, the boundaries were set to enable management and control by Hankook Tire management by selecting the operational control approach, and most of the greenhouse gas emissions generating global manufacturing facilities were included.

Forests

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Consider the importance of environmental performance data impact and the ability to improve it.

Water

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Consider the importance of environmental performance data impact and the ability to improve it.

Plastics

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Consider the importance of environmental performance data impact and the ability to improve it.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Consider the importance of environmental performance data impact and the ability to improve it.
[Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:

☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply ☑ No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ ISO 14064-1

☑ IPCC Guidelines for National Greenhouse Gas Inventories, 2006

☑ Korea GHG and Energy Target Management System Operating Guidelines

☑ The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

☑ Other, please specify **:**IEA (International Energy Agency) CO2 Emissions from Fuel Combustion Highlights

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

☑ We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

☑ We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Hankook Tire's 23/2024 ESG report discloses emissions based on both market-based and location-based approaches. All emissions have been verified by a third party.
[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

273266

(7.5.3) Methodological details

ISO 14064-1, Korea GHG and Energy Target Management System Operating Guildelines, IPCC 2006 guidelines for national greenhouse gas inventories

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

980457.27

(7.5.3) Methodological details

ISO 14064-1, Korea GHG and Energy Target Management System Operating Guildelines, IPCC 2006 guidelines for national greenhouse gas inventories

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

980457.27

(7.5.3) Methodological details

ISO 14064-1, Korea GHG and Energy Target Management System Operating Guildelines, IPCC 2006 guidelines for national greenhouse gas inventories

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

2617141.38

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Hybrid method

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

170604.1

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Average data method

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

453270.77

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Average data method

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

424270.03

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Distance-based method

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

11403.43

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Waste-type-specific method

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

1370.0

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Average spend-based method.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

33308.1

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Average data method

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Under the control approach, greenhouse gas emissions in this category are calculated including scope 1 and 2.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

2643.09

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Distance-based method

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

Tyres are treated as finished products and this category is not applicable to tyre products.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

28360355.68

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Average product method

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

15265.29

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Waste-type-specific method

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

17484.0

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Asset-specific method

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

5465.0

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Average data method

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

56326.1

(7.5.3) Methodological details

GHG Protocol, Corporate Value Chain(Scope 3) Accounting and Reporting Standard, Investment-specific method

Scope 3: Other (upstream)

(7.5.1) Base year end

12/30/2019

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

N/A

Scope 3: Other (downstream)

(7.5.1) Base year end

12/30/2019

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

N/A
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

	Gross global Scope 1 emissions (metric tons CO2e)	Methodological details
Reporting year	*247224*	*ISO 14064-1, Korea GHG and Energy Target Management System Operating Guildelines, IPCC 2006 guidelines for national greenhouse gas inventories*

[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

	Gross global Scope 2, location-based emissions (metric tons CO2e)	Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)	Methodological details
Reporting year	*854375*	*854375*	*ISO 14064-1, Korea GHG and Energy Target Management System Operating Guildelines, IPCC 2006 guidelines for national greenhouse gas inventories*

[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2581936

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Hybrid method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

8

(7.8.5) Please explain

Category 1 includes all raw materials purchased by Hankook Tire during the reporting year, including natural rubber, carbon black, synthetic rubber, bead wire, process oil, and other chemicals. Some emission factors were used by receiving data from the supplier, and the Ecoinvent database was applied if there was no data

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

189687

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Category 2 includes all types of assets purchased by Hankook Tire during the reporting year, including buildings, machinery, equipment, supplies, office equipment, and testing equipment.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

239281

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Ecoinvent LCI DB was used to calculate the Category 3 emissions, which includes upstream emissions from purchased fuels and electricity as well as T&D losses.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

504126

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The GHG emissions generated during the distribution process, where Hankook Tire made payments for raw material procurement and product transportation, are included.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

11003

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Emissions from waste disposal (incineration, landfill) and transportation for waste disposal included

Business travel

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3353

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We calculated business travel emissions using the amount spent on travel. Due to poor data quality, this is an area that needs process improvement. Since the emission volume is small (less than 5% of total Scope 3 emissions) and there are not many reduction methods available for this category, Hankook Tire has excluded it from the Scope 3 management scope

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9068

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We estimate employees' commuting emissions using factors like average commuting distance and emission factor for different transportation modes. Due to poor data quality, this is an area that needs process improvement. Since the emission volume is small (less than 5% of total Scope 3 emissions) and there are not many reduction methods available for this category, we has excluded it from the Scope 3 management scope.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Under the control approach, greenhouse gas emissions in this category are calculated including scope 1 and 2.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

8697

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Only downstream transportation emissions not paid by Hankook Tire are included.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Tyres are treated as finished products and this category is not applicable to tyre products.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

25825175

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average product method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

According to the GHG Protocol's Technical Guidance for Calculating Scope 3 Emissions, the use stage is only included if the product directly consumes energy. Since tires indirectly influence automobile fuel consumption through factors such as rolling resistance and acceleration resistance, they are evaluated as indirect impacts and therefore excluded from Hankook Tire's Scope 3 management boundary (optional).

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7557

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Waste-type-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

It includes emissions from landfilling and transportation for waste disposal.

Downstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

21836

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Asset-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We estimated category emissions using the amount for downstream leased assets. Due to poor data quality, this is an area that needs process improvement. Since the emission volume is small (less than 5% of total Scope 3 emissions) and there are not many reduction methods available for this category, Hankook Tire has excluded it from the Scope 3 management scope

Franchises

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

5026

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We calculated emissions by sampling several franchise and determining the average value. However, due to poor data quality, improvements are needed in this area. Furthermore, considering the minimal impact on emissions, these items are currently excluded from Hankook Tire's Scope 3 management boundary

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

51481

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Investment-specific method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

We calculated emissions by applying our equity share to the Scope 1 and 2 emissions of investment companies.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

There are no emissions corresponding to other upstream categories.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

There are no emissions corresponding to other downstream categories.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.1.4) Attach the statement

7.9.1 [DNV] Verification Opinion_Hankook Tire & Technology.pdf

(7.9.1.5) Page/section reference

Scope 1 and 2 emissions from global operations (1pg)

(7.9.1.6) Relevant standard

Select from:

☑ ISO14064-1

(7.9.1.7) Proportion of reported emissions verified (%)

47

Row 2

(7.9.1.1) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:

☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.1.4) Attach the statement

7.9.1 verification statement for 23-year emissions_KETS.pdf

(7.9.1.5) Page/section reference

Scope 1 and 2 emissions from Korean ETS (Emissions Trading Scheme) sites (1pg)

(7.9.1.6) Relevant standard

Select from:

☑ Korean GHG and energy target management system

(7.9.1.7) Proportion of reported emissions verified (%)

53
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

7.9.1 [DNV] Verification Opinion_Hankook Tire & Technology.pdf

(7.9.2.6) Page/ section reference

Scope 1 and 2 emissions from global operations (1pg)

(7.9.2.7) Relevant standard

Select from:

☑ ISO14064-1

(7.9.2.8) Proportion of reported emissions verified (%)

65

Row 2

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Reasonable assurance

(7.9.2.5) Attach the statement

7.9.1 verification statement for 23-year emissions_KETS.pdf

(7.9.2.6) Page/ section reference

Scope 1 and 2 emissions from Korean ETS (Emissions Trading Scheme) sites (1pg)

(7.9.2.7) Relevant standard

Select from:

☑ Korean GHG and energy target management system

(7.9.2.8) Proportion of reported emissions verified (%)

35

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Investments

☑ Scope 3: End-of-life treatment of sold products

☑ Scope 3: Capital goods
☑ Scope 3: Use of sold products
☑ Scope 3: Purchased goods and services
☑ Scope 3: Waste generated in operations
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Downstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.9.3.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

7.9.1 [DNV] Verification Opinion_Hankook Tire & Technology.pdf

(7.9.3.6) Page/section reference

Scope 3 emissions (pg 2)

(7.9.3.7) Relevant standard

Select from:
☑ ISO14064-1

(7.9.3.8) Proportion of reported emissions verified (%)

99
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

5500

(7.10.1.2) Direction of change in emissions

Select from:
☑ Increased

(7.10.1.3) Emissions value (percentage)

0.48

(7.10.1.4) Please explain calculation

*The total global emissions (Scope 1 and 2) for the previous reporting year were 1,152,865 tCO2. Due to a decrease in renewable energy consumption during the reporting year, emissions increased by approximately 5,500 tCO2. When calculated as a percentage, this represents an increase of (5500/1152865)*100 0.48%. Therefore, it indicates an increase of about 0.48% compared to the previous reporting year due to the reduction in renewable energy usage.*

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

25237

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

2.19

(7.10.1.4) Please explain calculation

*The total global emissions (Scope 1 and 2) for the previous reporting year were 1,152,865 tCO2. Due to energy-saving activities during the reporting year (e.g., facility investments, improvements in operational methods), emissions decreased by approximately 25,237 tCO2. When calculated as a percentage, this represents a reduction of (25237/1152865)*100 2.19%. Therefore, it indicates a decrease of about 2.19% compared to the previous reporting year due to energy-saving activities.*

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

25000

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

2.17

(7.10.1.4) Please explain calculation

*The total global emissions (Scope 1 and 2) for the previous reporting year were 1,152,865 tCO2. Due to a decrease in tire production during the reporting year, emissions are estimated to have decreased by approximately 25,000 tCO2. When calculated as a percentage, this represents a reduction of (25000/1152865)*100 2.17%. Therefore, it indicates a decrease of about 2.17% compared to the previous reporting year due to changes in production volume.*
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Market-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ Yes

(7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Row 1

(7.15.1.1) Greenhouse gas

Select from:
☑ CO2

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

246970

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Second Assessment Report (SAR - 100 year)

Row 2

(7.15.1.1) Greenhouse gas

Select from:

☑ CH4

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

83

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Second Assessment Report (SAR - 100 year)

Row 3

(7.15.1.1) Greenhouse gas

Select from:

☑ N2O

(7.15.1.2) Scope 1 emissions (metric tons of CO2e)

172

(7.15.1.3) GWP Reference

Select from:

☑ IPCC Second Assessment Report (SAR - 100 year)
[Add row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
China	*24615*	*388753*	*388753*
Hungary	*44442*	*45785*	*45785*
Indonesia	*33025*	*96757*	*96757*
Republic of Korea	*126973*	*292530*	*292530*
United States of America	*18170*	*30550*	*30550*

[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division
☑ By facility
☑ By activity

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division	Scope 1 emissions (metric ton CO2e)
Row 1	*Tire manufacturing plant*	*244658*
Row 2	*Headquarters, R&D center, etc*	*2114*
Row 3	*Subsidiaries (Hankook Engineering Works, Hankook Precision Works, Model Solution, Hankook Donggeurami Partners)*	*453*

[Add row]

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

Daejeon Plant (DP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

43571

(7.17.2.3) Latitude

36.451659

(7.17.2.4) Longitude

127.413184

Row 3

(7.17.2.1) Facility

Chongqing Plant (CP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

22210

(7.17.2.3) Latitude

29.638753

(7.17.2.4) Longitude

106.752593

Row 4

(7.17.2.1) Facility

Hankook Precision Works

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

298

(7.17.2.3) Latitude

36.444805

(7.17.2.4) Longitude

127.39658

Row 5

(7.17.2.1) Facility

Model Solution

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

36

(7.17.2.3) Latitude

37.469467

(7.17.2.4) Longitude

126.889752

Row 6

(7.17.2.1) Facility

Jiaxing Plant (JP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

1537

(7.17.2.3) Latitude

30.793572

(7.17.2.4) Longitude

120.757012

Row 7

(7.17.2.1) Facility

Geumsan Plant (KP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

80835

(7.17.2.3) Latitude

36.116229

(7.17.2.4) Longitude

127.528231

Row 8

(7.17.2.1) Facility

Tennessee Plant (TP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

18170

(7.17.2.3) Latitude

36.563465

(7.17.2.4) Longitude

-87.247213

Row 9

(7.17.2.1) Facility

Indonesia Plant (IP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

33025

(7.17.2.3) Latitude

-6.361529

(7.17.2.4) Longitude

107.161464

Row 10

(7.17.2.1) Facility

Hankook Engineering Works

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

120

(7.17.2.3) Latitude

36.368997

(7.17.2.4) Longitude

127.413705

Row 11

(7.17.2.1) Facility

R&D Center (Technodome)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

1788

(7.17.2.3) Latitude

36.377392

(7.17.2.4) Longitude

127.33725

Row 12

(7.17.2.1) Facility

Jiangsu Plant (HP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

868

(7.17.2.3) Latitude

33.572286

(7.17.2.4) Longitude

118.987914

Row 13

(7.17.2.1) Facility

Hankook Donggeurami Partners

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

0

(7.17.2.3) Latitude

36.449645

(7.17.2.4) Longitude

127.408614

Row 14

(7.17.2.1) Facility

Hungary Plant (MP)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

44442

(7.17.2.3) Latitude

46.999763

(7.17.2.4) Longitude

18.928521

Row 15

(7.17.2.1) Facility

R&D Center (Jangdong)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

20

(7.17.2.3) Latitude

36.392468

(7.17.2.4) Longitude

127.358422

Row 16

(7.17.2.1) Facility

Headquarters(Technoplex)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

306

(7.17.2.3) Latitude

37.402921

(7.17.2.4) Longitude

127.105918
[Add row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	*Stationary combustion*	*243131*
Row 2	*Mobile combustion*	*3457*
Row 3	*Gaseous waste incineration (facility to prevent air pollution)*	*419*
Row 4	*Production of rCB (Recovered Carbon Black)*	*0*
Row 5	*Others*	*218*

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Transport OEM activities	*244658*	*This is the Scope 1 emissions generated from the tire manufacturing plants (8 plants).*

[Fixed row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply

☑ By business division

☑ By facility

☑ By activity

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Tire manufacturing plant*	*830601*	*830601*
Row 2	*Headquarters, R&D center etc*	*10816*	*10816*
Row 4	*Subsidiaries (Hankook Engineering Works, Hankook Precision Works, Model Solution, Hankook Donggeurami Partners)*	*12958*	*12958*

[Add row]

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

Row 1

(7.20.2.1) Facility

Chongqing Plant (CP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

54232

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

54232

Row 3

(7.20.2.1) Facility

Jiangsu Plant (HP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

169230

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

169230

Row 4

(7.20.2.1) Facility

Hungary Plant (MP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

45785

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

45785

Row 5

(7.20.2.1) Facility

Geumsan Plant (KP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

181945

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

181945

Row 6

(7.20.2.1) Facility

Hankook Donggeurami Partners

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

558

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

558

Row 7

(7.20.2.1) Facility

Indonesia Plant (IP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

96757

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

96757

Row 8

(7.20.2.1) Facility

Model Solution

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

3167

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

3167

Row 9

(7.20.2.1) Facility

Headquarters(Technoplex)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

1385

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

1385

Row 10

(7.20.2.1) Facility

Hankook Precision Works

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

5431

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

5431

Row 11

(7.20.2.1) Facility

R&D Center (Technodome)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

7771

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

7771

Row 12

(7.20.2.1) Facility

Daejeon Plant (DP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

86811

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

86811

Row 13

(7.20.2.1) Facility

Hankook Engineering Works

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

3803

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

3803

Row 14

(7.20.2.1) Facility

Tennessee Plant (TP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

30550

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

30550

Row 15

(7.20.2.1) Facility

R&D Center (Jangdong)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

1661

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

1661

Row 16

(7.20.2.1) Facility

Jiaxing Plant (JP)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

165291

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

165291
[Add row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	*Purchased electricity*	*690189*	*690189*
Row 2	*Purchased steam*	*164185*	*164185*

[Add row]

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Transport OEM activities	*830601*	*830601*	*This is the Scope 2 emissions generated from the tire manufacturing plants (8 plants)*

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

247224

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

854375

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

854375

(7.22.4) Please explain

This includes subsidiaries and affiliates that are consolidated in the financial statements.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Emissions from associated companies are addressed under the investment category of Scope 3.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Hankook Engineering Works

(7.23.1.2) Primary activity

Select from:
☑ Industrial machinery

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ Other unique identifier, please specify **:**306-81-13566

(7.23.1.11) Other unique identifier

Given by the Korea National Tax Service.

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

120

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

3803

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

3803

(7.23.1.15) Comment

Hankook Engineering Works manufactures industrial machinery and equipment, producing the equipment and parts required for power plants, chemical plants, and refineries. Additionally, it offers engineering services and maintenance services.

Row 2

(7.23.1.1) Subsidiary name

Model Solution Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☑ Metal processing

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Other unique identifier, please specify **:**113-81-96403

(7.23.1.11) Other unique identifier

Given by the Korea National Tax Service.

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

36

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

3167

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

3167

(7.23.1.15) Comment

Model Solution is a company specializing in prototype manufacturing and precision machining, primarily producing prototypes for electronic devices, automotive parts, and medical equipment.

Row 3

(7.23.1.1) Subsidiary name

Hankook Donggeurami Partners Co., Ltd.

(7.23.1.2) Primary activity

Select from:

☑ Other professional services

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Other unique identifier, please specify **:**666-81-00186

(7.23.1.11) Other unique identifier

Given by the Korea National Tax Service.

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0.0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

558

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

558

(7.23.1.15) Comment

Hankook Donggeurami Partners is a social enterprise established with the aim of creating jobs for vulnerable employment groups. Its main businesses include car washing, operating an in-house café, and providing cleaning and facility management services.

Row 4

(7.23.1.1) Subsidiary name

Hankook Precision Works

(7.23.1.2) Primary activity

Select from:

☑ Metal processing

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply

☑ Other unique identifier, please specify **:**119-81-08208

(7.23.1.11) Other unique identifier

Given by the Korea National Tax Service.

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

298

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

5431

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

5431

(7.23.1.15) Comment

Hankook Precision Works is a company that manufactures precision mechanical parts, primarily producing high-precision components needed in the automotive, aerospace, and semiconductor industries. Utilizing technologies such as CNC machining, mold making, and assembly, it provides customized solutions for its customers.
[Add row]

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:
☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

32858763

(7.26.9) Emissions in metric tonnes of CO2e

7180

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 2

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

32858763

(7.26.9) Emissions in metric tonnes of CO2e

24811

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 3

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

19107882

(7.26.9) Emissions in metric tonnes of CO2e

4175

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 4

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

19107882

(7.26.9) Emissions in metric tonnes of CO2e

14428

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 5

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

9578472

(7.26.9) Emissions in metric tonnes of CO2e

2093

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 6

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

9578472

(7.26.9) Emissions in metric tonnes of CO2e

7233

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 7

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2892183

(7.26.9) Emissions in metric tonnes of CO2e

632

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 8

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

2892183

(7.26.9) Emissions in metric tonnes of CO2e

2184

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 9

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

4146010

(7.26.9) Emissions in metric tonnes of CO2e

906

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 10

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

4146010

(7.26.9) Emissions in metric tonnes of CO2e

3131

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 11

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

17688747

(7.26.9) Emissions in metric tonnes of CO2e

3865

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 12

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

17688747

(7.26.9) Emissions in metric tonnes of CO2e

13357

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 13

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

18987418

(7.26.9) Emissions in metric tonnes of CO2e

4149

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 14

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

18987418

(7.26.9) Emissions in metric tonnes of CO2e

14337

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 15

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

18331940

(7.26.9) Emissions in metric tonnes of CO2e

4005

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main source of Scope 1 emissions is the LNG used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 1 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.

Row 16

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: location-based

(7.26.4) Allocation level

Select from:

☑ Commodity

(7.26.6) Allocation method

Select from:

☑ Allocation based on mass of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Kilograms

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

18331940

(7.26.9) Emissions in metric tonnes of CO2e

13842

(7.26.10) Uncertainty (±%)

5

(7.26.11) Major sources of emissions

The main sources of Scope 2 emissions are the electricity and steam used in the tire manufacturing processes.

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

*Hankook Tire has applied an allocation method based on the product quantity (KG) delivered to OEMs from each plant. Third-party verification for Hankook Tire's Scope 1, 2, and 3 has been completed. Calculation formula: Total Scope 2 from global plants * (Total OEM delivery quantity / Total production quantity).*

(7.26.14) Where published information has been used, please provide a reference

The emissions have been calculated based on ISO 14064-1, IPCC Guidelines, and Korea ETS.
[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:

☑ We face no challenges

(7.27.2) Please explain what would help you overcome these challenges

We apply a commonly used allocation method. Since we can identify the product quantity (kg) supplied to customers, we allocate based on weight.
[Add row]

(7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

(7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Select from:

☑ No

(7.28.3) Primary reason for no plans to develop your capabilities to allocate emissions to your customers

Select from:

☑ Capabilities to allocate emissions to customers already maximized

(7.28.4) Explain why you do not plan to develop capabilities to allocate emissions to your customers

Since we have already applied a generally accepted allocation method, there are no additional plans.
[Fixed row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:

☑ More than 20% but less than or equal to 25%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ Yes
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ LHV (lower heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

1335423

(7.30.1.4) Total (renewable and non-renewable) MWh

1335423

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

18092

(7.30.1.3) MWh from non-renewable sources

1539015

(7.30.1.4) Total (renewable and non-renewable) MWh

1557107

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

445398

(7.30.1.4) Total (renewable and non-renewable) MWh

445398

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

662

(7.30.1.4) Total (renewable and non-renewable) MWh

662

Total energy consumption

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

18754

(7.30.1.3) MWh from non-renewable sources

3319835

(7.30.1.4) Total (renewable and non-renewable) MWh

3338589
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ Yes
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Other biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Coal

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Oil

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

13475

(7.30.7.3) MWh fuel consumed for self-generation of electricity

420

(7.30.7.4) MWh fuel consumed for self-generation of heat

12957

(7.30.7.5) MWh fuel consumed for self-generation of steam

99

(7.30.7.8) Comment

Used for tire production

Gas

(7.30.7.1) Heating value

Select from:

☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

1321948

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

786

(7.30.7.5) MWh fuel consumed for self-generation of steam

1321162

(7.30.7.8) Comment

Used for tire production

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.5) MWh fuel consumed for self-generation of steam

0

(7.30.7.8) Comment

Not used

Total fuel

(7.30.7.1) Heating value

Select from:
☑ LHV

(7.30.7.2) Total fuel MWh consumed by the organization

1335423

(7.30.7.3) MWh fuel consumed for self-generation of electricity

420

(7.30.7.4) MWh fuel consumed for self-generation of heat

13743

(7.30.7.5) MWh fuel consumed for self-generation of steam

1321261

(7.30.7.8) Comment

Used for tire production
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

1558189

(7.30.9.2) Generation that is consumed by the organization (MWh)

1558189

(7.30.9.3) Gross generation from renewable sources (MWh)

18754

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

18754

Heat

(7.30.9.1) Total Gross generation (MWh)

13743

(7.30.9.2) Generation that is consumed by the organization (MWh)

13743

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

1766658

(7.30.9.2) Generation that is consumed by the organization (MWh)

1766658

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

☑ Hungary

(7.30.14.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

18091.85

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Hungary

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

The Hungary plant purchases a portion of renewable energy at a green premium paid to the supplier.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

China

(7.30.16.1) Consumption of purchased electricity (MWh)

473294

(7.30.16.2) Consumption of self-generated electricity (MWh)

662

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

402654

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

131187

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1007797.00

Hungary

(7.30.16.1) Consumption of purchased electricity (MWh)

194797

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

234070

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

428867.00

Indonesia

(7.30.16.1) Consumption of purchased electricity (MWh)

146532

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

177061

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

323593.00

Republic of Korea

(7.30.16.1) Consumption of purchased electricity (MWh)

663897

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

42744

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

694412

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1401053.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

78587

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

98692

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

177279.00
[Fixed row]

(7.35) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

Row 1

(7.35.1) Activity

Select from:
☑ Light Duty Vehicles (LDV)

(7.35.2) Metric figure

0.00349

(7.35.3) Metric numerator

Select from:
☑ tCO2e

(7.35.4) Metric denominator

Select from:

☑ Life cycle (please explain assumptions) **:**The value includes the cradle-to-gate assessment

(7.35.5) Metric numerator: Unit total

3880126

(7.35.6) Metric denominator: Unit total

1111552

(7.35.7) % change from previous year

0

(7.35.8) Please explain

This is the carbon emissions per kg of tire from cradle to gate. The numerator is the total emissions from tire production and raw material acquisition, while the denominator is the weight of the produced tires.
[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

1.23e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

1101600

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

8939621475507

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

10.05

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Other emissions reduction activities

☑ Change in revenue

(7.45.9) Please explain

The unit metric is based on global standards, and energy-saving activities aimed at reducing energy consumption (such as enhancing equipment efficiency, improving leaks, and optimizing operational methods) have had a significant impact on greenhouse gas emissions reduction. Revenue increased by approximately 6% compared to the previous year, which also contributed to the decrease in the unit metric.
[Add row]

(7.50) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.

Row 1

(7.50.1) Activity

Select from:

☑ Light Duty Vehicles (LDV)

(7.50.2) Emissions intensity figure

0.000298

(7.50.3) Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e

0.31229

(7.50.4) Metric denominator

Select from:

☑ t.km

(7.50.5) Metric denominator: Unit total

1047.621

(7.50.6) % change from previous year

0

(7.50.7) Vehicle unit sales in reporting year

0

(7.50.8) Vehicle lifetime in years

0

(7.50.9) Annual distance in km or miles (unit specified by column 4)

42000

(7.50.10) Load factor

According to the Product Category Rule published by UL, the load index for tires of standard passenger vehicles is 92 (kg).

(7.50.11) Please explain the changes, and relevant standards/methodologies used

This is the result derived from applying the calculation formula for the use phase within the LCA (Life Cycle Assessment) methodology for tires. The lifespan of tires mounted on standard passenger vehicles is assumed to be 42,000 km, and the evaluation was conducted based on tires fitted on diesel passenger vehicles. The assessment was carried out based on the most commonly sold specifications and standards at Hankook Tire, and the calculation formula for carbon emissions resulting from tire use was applied based on the Product Category Rule (PCR) published by UL.
[Add row]

(7.52) Provide any additional climate-related metrics relevant to your business.

Row 1

(7.52.1) Description

Select from:
☑ Waste

(7.52.2) Metric value

44.44

(7.52.3) Metric numerator

Total amount of waste from global site

(7.52.4) Metric denominator (intensity metric only)

Total tire production from global site

(7.52.5) % change from previous year

4.76

(7.52.6) Direction of change

Select from:

☑ Increased

(7.52.7) Please explain

In 2023, there was a fire at the Daejeon plant. As a result, waste increased, and the operating rates at other manufacturing sites were raised to compensate for tire production, leading to an overall increase in waste emissions.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply

☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Net Zero Approval Letter_Hankook Tire _ Technology.docx (2).pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

03/29/2022

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

12/30/2019

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

273266

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

980457.27

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1253723.270

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

95.26

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

96.3

(7.53.1.54) End date of target

12/30/2030

(7.53.1.55) Targeted reduction from base year (%)

46.2

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

674503.119

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

247225

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

854375

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1101600.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

26.26

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This target is company-wide and covers 95% of our Scope 1 and 2 emissions. It includes our 8 tire manufacturing plants, domestic offices (including headquarters and two R&D centers), and subsidiaries (Hankook Precision Works, Hankook Engineering Works, Hankook Donggeurami Partners, and Model Solution). Some minor exclusions have been made due to limited data availability from certain smaller sites.

(7.53.1.83) Target objective

Hankook Tire's Scope 1 and 2 carbon reduction targets have a strategic purpose aimed at sustainable growth and enhancing global competitiveness. Additionally, they include objectives to respond to direct regulations on carbon reduction, such as emissions trading schemes. To minimize regulatory risks while avoiding unnecessary indirect costs, investments and reduction activities for energy savings are prioritized at the Hankook and Hungary plants. Furthermore, there is significant demand for carbon reduction from our customers (automakers). In the European market, this demand is particularly strong, and Hankook Tire views meeting this market demand as a crucial strategic element to strengthen customer trust and support long-term growth.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Hankook Tire's greenhouse gas reduction activities have been focused on systematically establishing an energy management system, managing energy leaks, optimizing process operations, and ensuring continuous maintenance and replacement of existing equipment. Additionally, energy-saving practices are shared through inter-plant energy exchange meetings to disseminate the best reduction methods. Although the current proportion of renewable energy use is low, the introduction of solar self-generation is planned, along with various other initiatives. The progress curve is likely to be variable.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 3

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Net Zero Approval Letter_Hankook Tire _ Technology.docx (2).pdf

(7.53.1.4) Target ambition

Select from:

☑ 1.5°C aligned

(7.53.1.5) Date target was set

03/29/2022

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 15 – Investments
☑ Scope 3, Category 2 – Capital goods
☑ Scope 3, Category 1 – Purchased goods and services
☑ Scope 3, Category 5 – Waste generated in operations
☑ Scope 3, Category 12 – End-of-life treatment of sold products
☑ Scope 3, Category 4 – Upstream transportation and distribution
☑ Scope 3, Category 9 – Downstream transportation and distribution
☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

(7.53.1.11) End date of base year

12/30/2019

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

2617141.38

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

170604.1

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

453270.77

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

424270.03

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

11403.43

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons

CO2e)

2643.09

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

15265.29

(7.53.1.28) Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

56326.1

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

3750924.190

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

3750924.190

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100.0

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100.0

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100.0

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100.0

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100.0

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100.0

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100.0

(7.53.1.49) Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100.0

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

98.5

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

98.5

(7.53.1.54) End date of target

12/30/2030

(7.53.1.55) Targeted reduction from base year (%)

27.5

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

2719420.038

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

2581936

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

189687

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

239281

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

504126

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

11003

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

8697

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

7557

(7.53.1.73) Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

51481

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

3593768.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

3593768.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

15.24

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This company-wide target covers over 90% of our Scope 3 emissions, focusing on the largest and most relevant categories to our business activities. The evaluation

of Scope 3 emissions resulted in the exclusion of 7 out of 15 categories, primarily due to their minimal impact or lack of relevance to tire products. These excluded categories—Business Travel, Employee Commuting, Upstream Leased Assets, Processing of Sold Products, Use of Products, Downstream Leased Assets, and Franchises—account for less than 5% of the total Scope 3 emissions and meet the exclusion criteria set by SBTi. We will address these minor categories through separate measures.

(7.53.1.83) Target objective

The strategic objective for reducing Scope 3 emissions is not significantly different from that of Scope 1 and 2. Although Scope 3 is not directly regulated, it is closely related to customer demands and global market trends. Since Hankook Tire is included in the value chain of automakers, customers are requesting products with a lower carbon footprint, making the reduction of Scope 3 emissions essential. Trust with customers impacts Hankook Tire's brand image and reputation, as well as its global competitiveness, which can ultimately affect sales. Therefore, Hankook Tire is implementing its strategy through a systematic approach that includes collaboration with raw material suppliers, R&D investments, and governance operations (such as the Product Environmental Committee).

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Hankook Tire is focusing on the raw material purchasing stage to reduce our Scope 3 emissions. Since emissions from the raw material procurement stage account for the largest share of our total Scope 3 emissions, it is essential to use low-carbon raw materials and collaborate with our suppliers. As part of this effort, we have begun mass production of tires made from 45% sustainable raw materials at our Hungarian plant. These tires incorporate ISCC PLUS certified materials, such as bio-based silica, recycled PET cord, and bio-cycled synthetic rubber. We are also working with global raw material suppliers to develop circular economy models that utilize waste. For example, through a business agreement with raw material suppliers, we have commercialized the iON tire for electric vehicles featuring recycled PET fiber cord. These activities reflect our strategic efforts to reduce the carbon footprint of our supply chain and develop sustainable products through networking and collaboration to establish a waste tire circulation system. The progress curve is likely to be variable.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

03/29/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

☑ Abs2

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

Net Zero Approval Letter_Hankook Tire _ Technology.docx (2).pdf

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Methane (CH4)

☑ Nitrous oxide (N2O)

☑ Carbon dioxide (CO2)

☑ Perfluorocarbons (PFCs)

☑ Hydrofluorocarbons (HFCs)

☑ Sulphur hexafluoride (SF6)

☑ Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

The coverage of the net-zero target is the same as the near-term target for Scope 1, 2, and 3 described earlier in section 7.5.1.

(7.54.3.11) Target objective

Hankook Tire's objective for achieving net zero is an extension of the strategic goals for our short-term targets related to Scope 1, 2, and 3 emissions. This initiative aims to enhance our carbon competitiveness in the global market and respond to the demands of customers and regulatory agencies. Additionally, it includes the purpose of increasing brand trust and reputation over the long term, as well as managing climate change-related risks through sustainable management.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, but we plan to within the next two years

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

To achieve net zero, Hankook Tire plans to introduce carbon removal measures to offset residual emissions in the final phase (after 2045). Until 2030, we will focus on activities to reduce carbon internally, and starting in 2040, we will review projects and strategies for practical carbon removal and offsetting.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Given that climate change goals and the achievement of net zero are recognized as one of the important internal objectives, they are managed under the 'ESG Committee' established by the Board of Directors. The committee comprehensively reviews key issues related to climate change risk, the progress of the carbon neutrality roadmap, greenhouse gas reduction achievements, and related investment plans at least once a year. This allows the Board to periodically assess the progress of climate change goals and, if necessary, make strategic decisions to enhance the company's sustainable management.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*8*	*`Numeric input*
To be implemented	*7*	*253*
Implementation commenced	*33*	*6660*
Implemented	*46*	*18414*
Not to be implemented	*12*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings

☑ Lighting

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

917

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

167478813

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

324999129

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

Such activities included replacing lighting in offices, factories, warehouses, and other facilities with LED lights.

Row 2

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

9778

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

2365811206

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1353022590

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

This includes retrofitting tire manufacturing equipment, automating operations, and improving energy loss during processes.

Row 3

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Compressed air

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

4883

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 1

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

1344587106

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

38000000

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 1-2 years

(7.55.2.9) Comment

This includes optimizing the compressed air supply system, detecting and managing compressed air leaks, among other activities. (The production of compressed air used in processes consumes 20% of the total plant's electricity.)

Row 4

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Machine/equipment replacement

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1624

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

606714342

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

1846700030

(7.55.2.7) Payback period

Select from:

☑ 4-10 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

This includes activities to replace outdated existing equipment with high-efficiency systems. Not only do we focus on simple replacements, but we also select optimal equipment through energy analysis.

Row 5

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Reuse of steam

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

855

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

191889238

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

69117620

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 3-5 years

(7.55.2.9) Comment

This includes activities to recover steam generated during tire manufacturing processes and reuse it within the operations.

Row 6

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

☑ Smart control system

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

358

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

86217440

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

332500000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

This includes activities related to the introduction and expansion of smart systems, such as process energy management systems.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

We are using part of the dedicated budget for energy reduction activities at our production sites, including process optimization, waste heat recovery, and introduction of high-efficiency facilities, etc.The budget classified as the corresponding item has a structure that is difficult to change after it is allocated, and is settled to be connected to related investment.

Row 2

(7.55.3.1) Method

Select from:

☑ Marginal abatement cost curve

(7.55.3.2) Comment

We calculate a marginal abatement cost curve (MACC) and use it as a decision-making tool for the selection of a reasonable GHG reduction plan between “direct investment” and “purchase of allowance units.”

Row 3

(7.55.3.1) Method

Select from:

☑ Internal price on carbon

(7.55.3.2) Comment

To reflect cost saving effects caused by GHG emission reductions during investment reviews, we calculate the internal carbon price every quarter and inform related departments of it.

Row 4

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

We established relevant targets to comply with climate change regulations, including emissions trading scheme to drive investments in emissions reduction activities.

Row 5

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

We are using part of the dedicated R&D budget for developing low-carbon products, including high-efficient tires with lower rolling resistance.
[Add row]

(7.73) Are you providing product level data for your organization's goods or services?

Select from:

☑ Yes, I will provide data through the CDP questionnaire

(7.73.1) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

22

(7.73.2) Complete the following table for the goods/services for which you want to provide data.

Row 1

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

RF11

(7.73.2.3) Description of good/ service

PCR(Passenger Car Radial) Tire

(7.73.2.4) Type of product

Select from:

☑ Final

(7.73.2.5) Unique product identifier

EA (unit of tire product)

(7.73.2.6) Total emissions in kg CO2e per unit

695

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

09/29/2023

(7.73.2.9) Explanation of change

The tires produced at the Geumsan factory have a specified mileage of 54,850 km and a specification of 275/60R20T. The LCA assessment was conducted for the first time in 2023, and it included the entire life cycle of the product, from raw material acquisition to disposal.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

☑ ISO 14040 & 14044

Row 2

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

H436

(7.73.2.3) Description of good/ service

PCR(Passenger Car Radial) Tire

(7.73.2.4) Type of product

Select from:

☑ Final

(7.73.2.5) Unique product identifier

EA (unit of tire product)

(7.73.2.6) Total emissions in kg CO2e per unit

938

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

12/30/2019

(7.73.2.9) Explanation of change

The tires produced at the Daejeon factory have a specified mileage of 42,000 km, and the LCA assessment was conducted in 2019. The evaluation included the entire life cycle of the product, from raw material acquisition to disposal.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

☑ ISO 14040 & 14044

Row 3

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

K435

(7.73.2.3) Description of good/ service

PCR(Passenger Car Radial) Tire

(7.73.2.4) Type of product

Select from:

☑ Final

(7.73.2.5) Unique product identifier

EA (unit of tire product)

(7.73.2.6) Total emissions in kg CO2e per unit

475

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

12/30/2021

(7.73.2.9) Explanation of change

The tires produced at the Daejeon factory have a specified mileage of 42,000 km, and the LCA assessment was conducted in 2021. The evaluation included the entire life cycle of the product, from raw material acquisition to disposal.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

☑ ISO 14040 & 14044

Row 4

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

RA33

(7.73.2.3) Description of good/ service

PCR(Passenger Car Radial) Tire

(7.73.2.4) Type of product

Select from:

☑ Final

(7.73.2.5) Unique product identifier

EA (unit of tire product)

(7.73.2.6) Total emissions in kg CO2e per unit

723

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

12/30/2022

(7.73.2.9) Explanation of change

The tires produced at the hungary factory have a specified mileage of 42,000 km, and the LCA assessment was conducted in 2022. The evaluation included the entire life cycle of the product, from raw material acquisition to disposal.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

☑ ISO 14040 & 14044

Row 5

(7.73.2.1) Requesting member

Select from:

(7.73.2.2) Name of good/ service

K127

(7.73.2.3) Description of good/ service

PCR(Passenger Car Radial) Tire

(7.73.2.4) Type of product

Select from:

☑ Final

(7.73.2.5) Unique product identifier

EA (unit of tire product)

(7.73.2.6) Total emissions in kg CO2e per unit

80

(7.73.2.7) ±% change from previous figure supplied

0

(7.73.2.8) Date of previous figure supplied

12/30/2022

(7.73.2.9) Explanation of change

The tires produced at the Hungary factory have a specified mileage of 42,000 km, and the LCA assessment was conducted in 2022. The evaluation included the entire life cycle of the product, from raw material acquisition to disposal, and reflects the results when mounted on an electric vehicle.

(7.73.2.10) Methods used to estimate lifecycle emissions

Select from:

☑ ISO 14040 & 14044
[Add row]

(7.73.3) Complete the following table with data for lifecycle stages of your goods and/or services.

Row 1

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

RF11

(7.73.3.3) Scope

Select from:
☑ Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:
☑ Cradle to grave

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

695

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:
☑ Yes

(7.73.3.7) Type of data used

Select from:

☑ Primary and secondary

(7.73.3.8) Data quality

In accordance with ISO standards, data quality requirements were established in advance for the LCA assessment, and data was collected accordingly. For materials where it was not possible to obtain data from certain suppliers or apply a database, gaps were addressed and applied (less than 1%).

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

The data has not been externally verified by a third party but is the result of an assessment conducted in collaboration with a professional consulting firm.

Row 2

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

H436

(7.73.3.3) Scope

Select from:

☑ Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

☑ Cradle to grave

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

938

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

☑ Yes

(7.73.3.7) Type of data used

Select from:

☑ Primary and secondary

(7.73.3.8) Data quality

In accordance with ISO standards, data quality requirements were established in advance for the LCA assessment, and data was collected accordingly. For materials where it was not possible to obtain data from certain suppliers or apply a database, gaps were addressed and applied (less than 1%).

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

The data has not been externally verified by a third party but is the result of an assessment conducted in collaboration with a professional consulting firm.

Row 3

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

K435

(7.73.3.3) Scope

Select from:

☑ Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

☑ Cradle to grave

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

475

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

☑ Yes

(7.73.3.7) Type of data used

Select from:

☑ Primary and secondary

(7.73.3.8) Data quality

In accordance with ISO standards, data quality requirements were established in advance for the LCA assessment, and data was collected accordingly. For materials where it was not possible to obtain data from certain suppliers or apply a database, gaps were addressed and applied (less than 1%).

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

The data has not been externally verified by a third party but is the result of an assessment conducted in collaboration with a professional consulting firm.

Row 4

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

RA33

(7.73.3.3) Scope

Select from:

☑ Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

☑ Cradle to grave

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

723

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

☑ Yes

(7.73.3.7) Type of data used

Select from:

☑ Primary and secondary

(7.73.3.8) Data quality

In accordance with ISO standards, data quality requirements were established in advance for the LCA assessment, and data was collected accordingly. For materials where it was not possible to obtain data from certain suppliers or apply a database, gaps were addressed and applied (less than 1%).

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

The data has not been externally verified by a third party but is the result of an assessment conducted in collaboration with a professional consulting firm.

Row 5

(7.73.3.1) Requesting member

Select from:

(7.73.3.2) Name of good/ service

K127

(7.73.3.3) Scope

Select from:

☑ Scope 1, 2 & 3

(7.73.3.4) Lifecycle stage

Select from:

☑ Cradle to grave

(7.73.3.5) Emissions at the lifecycle stage in kg CO2e per unit

80

(7.73.3.6) Lifecycle stage under your ownership or control

Select from:

☑ Yes

(7.73.3.7) Type of data used

Select from:

☑ Primary and secondary

(7.73.3.8) Data quality

In accordance with ISO standards, data quality requirements were established in advance for the LCA assessment, and data was collected accordingly. For materials where it was not possible to obtain data from certain suppliers or apply a database, gaps were addressed and applied (less than 1%).

(7.73.3.9) If applicable, describe the verification/assurance of the product emissions data

The data has not been externally verified by a third party but is the result of an assessment conducted in collaboration with a professional consulting firm.
[Add row]

(7.73.4) Please detail emissions reduction initiatives completed or planned for this product.

Row 1

(7.73.4.2) Initiative ID

Select from:
☑ Initiative 1

(7.73.4.4) Completed or planned

Select from:
☑ Ongoing
[Add row]

(7.73.5) Have any of the initiatives described in 7.73.4 been driven by requesting CDP Supply Chain members?

Select from:
☑ No

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:
☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Other

☑ Other, please specify **:**Tire

(7.74.1.4) Description of product(s) or service(s)

The rubber tire and tube manufacturing industry is not directly listed as a regulated economic activity in the taxonomy. However, tires play a crucial role in the energy efficiency of vehicles due to factors such as weight and rolling resistance, making them capable of significantly contributing to greenhouse gas reduction goals in the transport sector. To support this, the Tire Labeling System is in place. This system encourages manufacturers to produce and sell high-efficiency tire products while enabling consumers to easily distinguish and purchase more efficient products. It has been implemented in several major countries, including Korea, Europe, and Japan.Tire labeling displays ratings for tire performance in terms of fuel efficiency (rolling resistance) and safety (wet grip). Since the taxonomy focuses on environmental impacts, the most relevant performance aspect is the "rolling resistance," and efforts to improve it indirectly affect greenhouse gas emissions, making a positive contribution to climate change mitigation goals.In line with this, Hankook Tirehas defined financial costs related to A and B-grade products for rolling resistance, based on Europe's labeling ratings (AE), as eligible economic activities.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions (ILCA)

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Use stage

(7.74.1.8) Functional unit used

A-B grade PCR products with a lifespan of 40,000 km.

(7.74.1.9) Reference product/service or baseline scenario used

Average carbon footprint of tires sold in Europe when installed on gasoline vehicles.

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

3898926

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

The reduction amount was calculated by multiplying the carbon footprint difference value of low-carbon products compared to the baseline by the sales performance of eco-friendly products. GHG emission reduction (Baseline carbon footprints - carbon footprints of low-carbonproducts) production quantity of low-carbon products*

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

14.54
[Add row]

(7.75) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Row 1

(7.75.1) Activity

Select from:

☑ Light Duty Vehicles (LDV)

(7.75.2) Metric

Select from:

☑ Sales

(7.75.3) Technology

Select from:

☑ Other, please specify **:**EV Tire

(7.75.4) Metric figure

14.54

(7.75.5) Metric unit

Select from:

☑ % of total sales

(7.75.6) Explanation

We calculate the proportion of total sales that corresponds to tire labeling grades A-B.
[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:

☑ No

C9. Environmental performance - Water security

(9.1) Are there any exclusions from your disclosure of water-related data?

Select from:

☑ Yes

(9.1.1) Provide details on these exclusions.

Row 1

(9.1.1.1) Exclusion

Select from:

☑ Facilities

(9.1.1.2) Description of exclusion

1. Distribution Centers Our company has not yet implemented a system to track the water impact in the distribution centers. We expect this to be a small fraction of our total water consumption and little exposure to water risk. 2. Offices Our company has not yet implemented a system to track the water impact in the offices except for headquater in Korea. We expect this to be a small fraction of our total water consumption and little exposure to water risk. 3. R&D Centers Our company has not yet implemented a system to track the water impact in the R&D Center except for that in Korea. We expect this to be a small fraction of our total water consumption and little exposure to water risk.

(9.1.1.3) Reason for exclusion

Select from:

☑ Small volume [rainwater]

(9.1.1.7) Percentage of water volume the exclusion represents

Select from:

☑ 1-5%

(9.1.1.8) Please explain

1. 2023 Water intake of HQ in Korea: 18,897 (0.3% of total production plant water usage) 2. 2023 Water intake of R&D center in Korea: 101,983 (1.8% of total production plant water usage)
[Add row]

(9.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:
☑ Daily

(9.2.3) Method of measurement

Collect and monitor the amount of water intake by water intake source at global business sites using a flow meter and excel sheet.

(9.2.4) Please explain

As a major environmental indicator we set long-term and short-term target for reduction.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:
☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Collect and monitor the amount of water intake by water intake source at global business sites using a flow meter and excel sheet.

(9.2.4) Please explain

Most of the usage is produced water.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Water quality may be affected when used as a product cooling, so water quality is being measured in our own laboratory simplify.

(9.2.4) Please explain

Salinity measurement

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Collect and monitor the amount of wastewater discharge at global business sites using a flow meter and excel sheet.

(9.2.4) Please explain

As a major environmental indicator, we set long-term and short-term target for reduction.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Check through surveys of the person in charge. It is not something that changes often.

(9.2.4) Please explain

Most of the waste water is discharged to the waste treatment plant.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Check through surveys of the person in charge. It is not something that changes often.

(9.2.4) Please explain

Most use physicochemical treatment method.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Collect and monitor the water quality using tele- monitoring system, third party measurement results.

(9.2.4) Please explain

Water discharge quality is managed below the legal limit.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Collect and monitor the water quality using tele- monitoring system, third party measurement results.

(9.2.4) Please explain

Major issues are shared on a quarterly basis through the Environmental Safety and Health Council.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

According to the relevant laws, temperature is not subject to measurement, and there are no plans to measure it in the future.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Daily

(9.2.3) Method of measurement

Collect and monitor the amount of water intake by water intake source and recycling volume at global business sites using a water meter and excel sheet.

(9.2.4) Please explain

Major issues are shared on a quarterly basis through the Environmental Safety and Health Council.

Water recycled/reused

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Monthly

(9.2.3) Method of measurement

Collect and monitor the amount of water intake by water intake source and recycling volume at global business sites using a water flow and excel sheet.

(9.2.4) Please explain

As a major environmental indicator we set long-term and short-term target for reduction.

The provision of fully-functioning, safely managed WASH services to all workers

(9.2.1) % of sites/facilities/operations

Select from:

☑ 100%

(9.2.2) Frequency of measurement

Select from:

☑ Yearly

(9.2.3) Method of measurement

Check through surveys of the some workers.

(9.2.4) Please explain

We provide water properly for the safety and hygiene of workers.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

5706

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

The amount of water intake decreased due to slight decrease in production in 2023. But intensity value was improved in 2023: 5.16 m3/ton of FP (2022) 5.13 (2023)

Total discharges

(9.2.2.1) Volume (megaliters/year)

1810

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

Recycling of treated wastewater was decreased in 2023: 52.6%(2022) 49.5%(2023)

Total consumption

(9.2.2.1) Volume (megaliters/year)

3897

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.2.4) Five-year forecast

Select from:

☑ Lower

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

The intensity value was improved in 2023: 5.16 m3/ton of FP (2022) 5.13 (2023)
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ Yes

(9.2.4.2) Volume withdrawn from areas with water stress (megaliters)

1992

(9.2.4.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.4.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.4.5) Five-year forecast

Select from:

☑ Higher

(9.2.4.6) Primary reason for forecast

Select from:

☑ Facility expansion

(9.2.4.7) % of total withdrawals that are withdrawn from areas with water stress

34.91

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

For water stress evaluation, WRi Aqueduct were used. Of the total eight plants, Two in China, one in Indonesia are located in a high water stress area.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Only groundwater and produced water are used for tire production.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Only groundwater and produced water are used for tire production.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

136

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Unknown

(9.2.7.5) Please explain

Some factories use groundwater for tire production.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

Only renewable groundwater is used for tire production.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:

☑ Relevant

(9.2.7.2) Volume (megaliters/year)

5571

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.7.5) Please explain

Produced water is used for tire production.

Third party sources

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

We are not getting water from third party sources.
[Fixed row]

(9.2.8) Provide total water discharge data by destination.

Fresh surface water

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

295

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.8.5) Please explain

Decreased discharge by increasing the amount of recycled water at Guemsan Plant.

Brackish surface water/seawater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

The tire production plant is located in the inland region, it cannot be discharged.

Groundwater

(9.2.8.1) Relevance

Select from:

☑ Not relevant

(9.2.8.5) Please explain

Water used in tire production is not discharged to groundwater.

Third-party destinations

(9.2.8.1) Relevance

Select from:

☑ Relevant

(9.2.8.2) Volume (megaliters/year)

1514

(9.2.8.3) Comparison with previous reporting year

Select from:

☑ Higher

(9.2.8.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.8.5) Please explain

Increase water discharge due to a slight decrease in the ratio of treated water recycled at plants excluding Geumsan Plant.
[Fixed row]

(9.2.9) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Tertiary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

There is no plant where wastewater is discharged after Tertiary treatment.

Secondary treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

1727

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Higher

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 91-99

(9.2.9.6) Please explain

The factory is equipped with our own wastewater treatment facility and discharges wastewater after physicochemical treatment.

Primary treatment only

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

16

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in efficiency

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ Less than 1%

(9.2.9.6) Please explain

It is discharged after primary treatment and complies with regulations.

Discharge to the natural environment without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

The water used in the tire production process is discharged after being purified through a wastewater treatment process.

Discharge to a third party without treatment

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Relevant

(9.2.9.2) Volume (megaliters/year)

67

(9.2.9.3) Comparison of treated volume with previous reporting year

Select from:

☑ Lower

(9.2.9.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.9.5) % of your sites/facilities/operations this volume applies to

Select from:

☑ 1-10

(9.2.9.6) Please explain

There is no wastewater treatment facility, and the treatment is entrusted to a third party.

Other

(9.2.9.1) Relevance of treatment level to discharge

Select from:

☑ Not relevant

(9.2.9.6) Please explain

Not relevant
[Fixed row]

(9.2.10) Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tons)	Categories of substances included	Please explain
	0	*Select all that apply* ☑ Nitrates ☑ Phosphates	*T-P & T-N: 2.8 ton/year in Daejeon Plant and Guemsan Plant*

[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

3

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 26-50

(9.3.4) Please explain

3 of the 8 plant was rated as having high risk about water security by assessing WRI tool.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ No, we have assessed this value chain stage but did not identify any facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.4) Please explain

We conduct supplier ESG survey annually and have not identified any significant water-related risks.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

☑ Facility 3

(9.3.1.2) Facility name (optional)

Indonesia Plant

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

United States of America

☑ Other, please specify

(9.3.1.8) Latitude

-6.3617

(9.3.1.9) Longitude

107.161

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

551

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

551

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

16

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

16

(9.3.1.27) Total water consumption at this facility (megaliters)

893

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Higher

(9.3.1.29) Please explain

Due to a fire in Daejeon plant, production was moved to the other factories.

Row 2

(9.3.1.1) Facility reference number

Select from:

☑ Facility 1

(9.3.1.2) Facility name (optional)

Jiaxing Plant

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Afghanistan

☑ Other, please specify **:**China Coast, Lake Tail Hu

(9.3.1.8) Latitude

30.793511

(9.3.1.9) Longitude

120.757015

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

744

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

744

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

384

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Lower

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

384

(9.3.1.27) Total water consumption at this facility (megaliters)

1014

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Higher

(9.3.1.29) Please explain

Due to a fire in Daejeon plant, production was moved to the other factories.

Row 3

(9.3.1.1) Facility reference number

Select from:

☑ Facility 2

(9.3.1.2) Facility name (optional)

Jiangsu Plant

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Risks

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals and discharges

(9.3.1.7) Country/Area & River basin

Afghanistan

☑ Other, please specify **:**Geum-river

(9.3.1.8) Latitude

33.57789

(9.3.1.9) Longitude

119.0831

(9.3.1.10) Located in area with water stress

Select from:

☑ Yes

(9.3.1.13) Total water withdrawals at this facility (megaliters)

697

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Higher

(9.3.1.15) Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

697

(9.3.1.20) Withdrawals from third party sources

0

(9.3.1.21) Total water discharges at this facility (megaliters)

46

(9.3.1.22) Comparison of total discharges with previous reporting year

Select from:

☑ Higher

(9.3.1.23) Discharges to fresh surface water

0

(9.3.1.24) Discharges to brackish surface water/seawater

0

(9.3.1.25) Discharges to groundwater

0

(9.3.1.26) Discharges to third party destinations

575

(9.3.1.27) Total water consumption at this facility (megaliters)

811

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:

☑ Much lower

(9.3.1.29) Please explain

The Daejeon plant lost part of its capacity due to fire in March 2024
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

AA1000AS

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:
☑ 76-100

(9.3.2.2) Verification standard used

AA1000AS

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Most of the water used is produced water, which is not monitored as it does not require high water quality.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

AA1000AS

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not verified as destination is not disclosed in the ESG Report.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

Not verified as final treatment level is not disclosed in the ESG Report

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

AA1000AS

Water consumption – total volume

(9.3.2.1) % verified

Select from:

☑ 76-100

(9.3.2.2) Verification standard used

AA1000AS
[Fixed row]

(9.4) Could any of your facilities reported in 9.3.1 have an impact on a requesting CDP supply chain member?

Select from:

☑ Yes, CDP supply chain members buy goods or services from facilities listed in 9.3.1

(9.4.1) Indicate which of the facilities referenced in 9.3.1 could impact a requesting CDP supply chain member.

Row 1

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1

(9.4.1.2) Facility name

Jiaxing Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source.

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 2

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1

(9.4.1.2) Facility name

Jiaxing Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source.

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 3

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1

(9.4.1.2) Facility name

Jiaxing Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source.

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 8

(9.4.1.1) Facility reference number

Select from:

☑ Facility 2

(9.4.1.2) Facility name

Jiangsu Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 9

(9.4.1.1) Facility reference number

Select from:

☑ Facility 2

(9.4.1.2) Facility name

Jiangsu Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 10

(9.4.1.1) Facility reference number

Select from:

☑ Facility 2

(9.4.1.2) Facility name

Jiangsu Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 11

(9.4.1.1) Facility reference number

Select from:

☑ Facility 3

(9.4.1.2) Facility name

Indonesia Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 12

(9.4.1.1) Facility reference number

Select from:

☑ Facility 3

(9.4.1.2) Facility name

Indonesia Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 13

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1

(9.4.1.2) Facility name

Jiaxing Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 14

(9.4.1.1) Facility reference number

Select from:

☑ Facility 1

(9.4.1.2) Facility name

Jiaxing Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 15

(9.4.1.1) Facility reference number

Select from:

☑ Facility 3

(9.4.1.2) Facility name

Indonesia Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.

Row 16

(9.4.1.1) Facility reference number

Select from:

☑ Facility 3

(9.4.1.2) Facility name

Indonesia Plant

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

There are no concerned impact about intake water quality and quantity because we already installed pretreatment facilities and we received produced water from third party source

(9.4.1.5) Comment

Tires are not an industry vulnerable to water.
[Add row]

(9.5) Provide a figure for your organization’s total water withdrawal efficiency.

(9.5.1) Revenue (currency)

8939621476000

(9.5.2) Total water withdrawal efficiency

1566705481.25

(9.5.3) Anticipated forward trend

Each plant continues to make efforts to reduce water withdrawal, and withdrawal efficiency no longer follows the amount of production trend. The treated wastewater recycling rate is 49%, and some factories recycle at 95%. In the future, there is still a possibility of reduction in factories with low recycling rates, so the index is expected to improve little by little.
[Fixed row]

(9.12) Provide any available water intensity values for your organization’s products or services.

Row 1

(9.12.1) Product name

All tires produced in Daejeon Plant

(9.12.2) Water intensity value

7.89

(9.12.3) Numerator: Water aspect

Select from:
☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 2

(9.12.1) Product name

All tires produced in Tenessee Plant

(9.12.2) Water intensity value

2.71

(9.12.3) Numerator: Water aspect

Select from:
☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 3

(9.12.1) Product name

All tires produced in Chongqing Plant

(9.12.2) Water intensity value

5.82

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 4

(9.12.1) Product name

All tires produced in Hungary Plant

(9.12.2) Water intensity value

2.71

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 5

(9.12.1) Product name

All tires produced in Indonesia Plant

(9.12.2) Water intensity value

4.62

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 6

(9.12.1) Product name

All tires produced in Jiaxing Plant

(9.12.2) Water intensity value

5.21

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 7

(9.12.1) Product name

All tires produced in Geumsan Plant

(9.12.2) Water intensity value

6.04

(9.12.3) Numerator: Water aspect

Select from:
☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP

Row 8

(9.12.1) Product name

All tires produced in Jiangsu Plant

(9.12.2) Water intensity value

4.78

(9.12.3) Numerator: Water aspect

Select from:

☑ Water withdrawn

(9.12.4) Denominator

ton of finished product

(9.12.5) Comment

Unit: /ton FP
[Add row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
	Select from: ☑ Yes

[Fixed row]

(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Row 1

(9.13.1.1) Regulatory classification of hazardous substances

Select from:

☑ Other, please specify **:**REACH Candidates, California props 65, CMRs, IARC, etc.

(9.13.1.2) % of revenue associated with products containing substances in this list

Select from:

☑ More than 80%

(9.13.1.3) Please explain

Most of hazardous substances are essential for the functioning of the product, but we are trying to reduce usage gradually and developing alternative materials. [Add row]

(9.14) Do you classify any of your current products and/or services as low water impact?

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ No, and we do not plan to address this within the next two years

(9.14.3) Primary reason for not classifying any of your current products and/or services as low water impact

Select from:

☑ Judged to be unimportant, explanation provided

(9.14.4) Please explain

The direct/indirect water impact is not high among the processes of related products and services. In the manufacturing process, water is not used as a raw material, and most of water is used for cooling water, and thus it is determined that it is not important impact yet.

[Fixed row]

(9.15) Do you have any water-related targets?

Select from:
☑ Yes

(9.15.1) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	*Select from:* ☑ Yes	*Rich text input [must be under 1000 characters]*
Water withdrawals	*Select from:* ☑ Yes	*Rich text input [must be under 1000 characters]*
Water, Sanitation, and Hygiene (WASH) services	*Select from:* ☑ No, and we do not plan to within the next two years	*No target as this is not a critical item.*
Other	*Select from:* ☑ No, and we do not plan to within the next two years	*No objectives as this is not a critical item.*

[Fixed row]

(9.15.2) Provide details of your water-related targets and the progress made.

Row 1

(9.15.2.1) Target reference number

Select from:

☑ Target 1

(9.15.2.2) Target coverage

Select from:

☑ Organization-wide (direct operations only)

(9.15.2.3) Category of target & Quantitative metric

Water withdrawals

☑ Reduction in withdrawals per unit of production

(9.15.2.4) Date target was set

12/30/2019

(9.15.2.5) End date of base year

12/30/2018

(9.15.2.6) Base year figure

5.4

(9.15.2.7) End date of target year

12/30/2030

(9.15.2.8) Target year figure

3.8

(9.15.2.9) Reporting year figure

5.13

(9.15.2.10) Target status in reporting year

Select from:

☑ Underway

(9.15.2.11) % of target achieved relative to base year

17

(9.15.2.12) Global environmental treaties/initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ None, alignment not assessed

(9.15.2.13) Explain target coverage and identify any exclusions

Applies to 8 manufacturing plant water usage data only.

(9.15.2.14) Plan for achieving target, and progress made to the end of the reporting year

To improve efficiency in water use, each of our plants sets their targets for water withdrawal intensity each year and makes necessary improvements to reach these targets. The Daejeon Plant, which suffered losses due to the fire, completely reexamined its water consumption to obtain basic data for implementing water resource conservation activities, and is keeping up with its maintenance to improve the performance of water reuse pumps. The Jiangsu Plant conducts daily checks and improvement work to prevent leaks from extrusion cooling water and cooling towers. The Jiaxing Plant provides all employees with water saving training and switched to gray water for its toilets to lower water resources consumption. Such activities allowed us to achieve nearly 270,000 tons in reduced water consumption against 2022. Going forward, we will set more ambitious targets year after year for water withdrawal intensity and continue to pursue water conservation activities.

(9.15.2.16) Further details of target

Unit: /finished product ton
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Emissions reduction initiatives/activities

☑ Energy attribute certificates (EACs)

☑ Progress against targets

☑ Target-setting methodology

☑ All data points in module 7

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Hankook Tire has completed the verification of its ESG report by KPMG. Accordingly, on-site verification and document review of related content, including greenhouse gas reduction and energy-saving activities, TCFD, and energy usage, have been finalized.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 KPMG_Third-party certification report.pdf

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Water

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Water security

☑ All data points in module 9

☑ Water consumption– total volume

☑ Water discharges– total volumes

☑ Water withdrawals– total volumes

☑ Water withdrawals – volumes by source

☑ Emissions to water in the reporting year

☑ Water discharges – volumes by destination

☑ Water intensities of products and services

☑ Water discharges – volumes by treatment method

☑ Facilities with water-related dependencies, impacts, risks and opportunities

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Hankook Tire has completed the verification of its ESG report by KPMG. Accordingly, on-site verification and document review of related content, including water usage, activities related to water, and risk analysis, have been finalized.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 KPMG_Third-party certification report.pdf

Row 3

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Forests

☑ Biodiversity

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Forests

☑ Ecosystem restoration and long-term protection projects

☑ Traceability data

☑ All data points in module 8

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

Hankook Tire has completed the verification of its ESG report by KPMG. Accordingly, on-site verification and document review of related content, including activities related to biodiversity and risk analysis, have been finalized.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

13.1.1 KPMG_Third-party certification report.pdf
[Add row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Vice President of HR Division & Sustainability

(13.3.2) Corresponding job category

Select from:
☑ Other C-Suite Officer
[Fixed row]

(13.4) Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Select from:
☑ Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute