

# KCI Environmental Management Policy



## 1. Purpose

KCI (hereinafter the “Company”), guided by its philosophy of “Sustainable Health and Beauty Life”, has implemented an Environmental Management Policy (hereinafter the “Policy”). This policy is designed to improve environmental performance through eco-friendly management practices and to minimize negative impacts throughout all business activities and value chains.

### **KCI Environmental Management Guidelines**

- We fulfill our corporate social responsibility by strictly adhering to Korean and international environmental laws, regulations, and standards, as well as national and institutional green policies.
- We efficiently manage resource and energy consumption to minimize carbon emissions and actively work towards achieving our 2050 Net Zero goal.
- We strive to minimize waste and pollutant generation while increasing our recycling efforts.
- We provide environmental management education and training for all employees and suppliers to raise awareness and encourage active participation.

## 2. Scope

This Environmental Management Policy is applied to all KCI sites, and the Company encourages its partner companies to comply with this Policy.

## 3. Owners

To enhance environmental management across the company, the ESG Committee under the leadership of the Board of Directors of KCI serves as the final decision-making body.

Leaders of each business division take the responsibility of managing the implementation and performance of environmental policy. Management meetings where key decision makers participate oversee risk management and performance improvement of environmental management. The ESG Committee is responsible for final decision making.

## **4. Environmental Management Policy**

### **(1) Business Sites**

#### 1) Greenhouse Gases (GHGs) / Energy / Air Pollutants

KCI sets its corporate goal to be a contributor to abundant life of people and environmental protection for the Earth, and in the long run, to become a H&W (Health & Wellness) and green advanced material-driven company, and continues its efforts to cut GHGs and energy consumption.

KCI measures and calculates GHG emissions and energy consumption, and continues its efforts to cut GHG emissions by promoting energy saving campaign. KCI will reinforce its GHG and energy control via third-party verification. KCI has applied methods to minimize environment pollutants emissions and continuously monitors and seeks to lower the emission concentration level and emissions amount from its facilities.

#### 2) Water/Wastes

KCI strives to reduce the water consumption and wastes generation and expand recycling rate at its sites. The Company also makes effort for the water/waste treatment in compliance with regulation and internal policy. KCI drives energy intensity reduction to achieve the resource circulation goal, and seeks to minimize environmental impact of its business by establishing data collection and management system for domestic and overseas business site.

#### 3) Hazardous Substances

KCI identifies the status of (hazardous) chemical substances used in operation process or contained in the product, provides necessary information to stakeholders, strives to cut hazardous substances, and assess and controls the hazard level.

### **(2) Products and Services**

KCI plans to build a product-based carbon emissions calculation system and identify carbon emissions arising from the life cycle of the product (LCA, Life Cycle Assessment), promoting its carbon reduction efforts. The Company strives to secure competitiveness through the development of sustainable products and services, and to lead the industry as a global green business.

### **(3) Retail and Logistics**

KCI works to minimize environmental impact that may arise from its products and services supply, and seeks to establish a joint control system with relevant partners.

## 5. Environmental Management Strategy

Responding to Net Zero Emissions	Strengthening Circular Economy System	Strengthening Environmental Management System
Expanding the use of renewable energy	Increasing waste recycling rates	Establishing an ESG committee
Using fuel to reduce GHG emissions	Reducing water consumption	Strategizing product environment
Achieving net zero emissions by 2050	Efforts to reduce air pollutants	Strengthening certifications such as ISO 14001 and 45001
Join RE100 initiative	Efforts to reduce hazardous chemical substances	Increasing employees' awareness of environmental management
Developing and implementing GHG reduction technologies	Developing and expanding investments in recycling technologies	Managing environmental management goals throughout the company
Promoting energy transition activities		

## 6. Addendum

- (1) This Environmental Management Policy was established and took into effect as of May 11, 2023.

**[Appendix. Summary of Document]**

Category	Description
Initial Draft Date	May 11, 2023
Latest Revision Date	May 11, 2023
Owner	Environmental Health & Safety Part, KCI
Approver	ESG Committee, KCI Board of Directors
Description of Draft/Revision	Establishment of Environmental Management Policy
Contact	E-mail: jaeyeol.lee@samyang.com Phone: +82-41-660-7966